



South Carolina  
Department of Education

Together, we can.

August 31, 2007

The Honorable Mark Sanford  
Governor, State of South Carolina  
Post Office Box 12267  
Columbia, South Carolina 29211

Dear Governor Sanford:

Incremental change will not get us where we need to be. It's time for South Carolina to begin expecting, initiating, encouraging, and rewarding innovation in South Carolina's public schools. Guided by my first eight months in office and by the recommendations of statewide task forces currently at work, I am submitting my 2008-09 budget recommendations. The package includes components on public school innovation and choice, testing and accountability, teacher recruitment and retention, universal at-risk four-year-old kindergarten, and a comprehensive look at adequate and equitable school funding.

My budget recommendations include the following:

- Elevating the teaching profession with fair, results-based compensation reform, including a pay increase for teachers, the launch of a pilot program on team teaching, and a new, statewide public relations campaign aimed at changing the image of the profession.
- Reforming the 1998 Accountability Act to increase diagnostic testing and reduce the amount of time and money spent testing solely for accountability purposes.
- Laying the groundwork for a new system of stable, fair, and equitable funding by addressing the way South Carolina raises and distributes all state revenues, with a special focus on public schools.
- Providing incentives and resources to support consolidation of districts when it's cost effective and there's community support to do so.
- Creating a new system of fiscal accountability for South Carolina's schools and school districts. The authority to work with schools and districts will allow the South Carolina Department of Education (SCDE)

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to provide fiscal support and oversight, and to intervene if resources are not being managed effectively.

- Creating a new system of public school choice that encourages and rewards innovation and allows parents, students, teachers, and schools more flexibility when choosing public education paths.
- Creating safer and healthier schools by reducing crime and disruption and improving the physical environments of our schools.

Many of the requests that I am submitting are annualizations of recurring budget items and the replacement of nonrecurring funds. I have also included a request for universal 4K to partially meet Judge Thomas Cooper's ruling in the *Abbeville v. State of South Carolina* lawsuit. A summary of the key recommendations are \$195 million to annualize FY 2008 nonrecurring appropriations; \$29 million to address the critical shortage of teachers in the state; \$56 million to assist schools in meeting the ever-increasing standards for student achievement; \$24 million to make changes to the assessment and accountability system; \$95 million to expand early childhood education efforts; \$91 million to provide full funding of the Education Finance Act (EFA) and related district employer contributions in accordance with S.C. Code Ann. Section 59-20-40; \$92 million to sustain South Carolina's school bus transportation system; and \$48 million to revitalize the K-12 Technology Partnership.

I look forward to working with you on developing a comprehensive budget for public education that will enable the students of South Carolina to compete nationally and internationally.

Sincerely,

Jim Rex  
State Superintendent of Education

JR/jp

## **I. EXECUTIVE SUMMARY**

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Statewide Mission:**

**Vision:** Our shared vision is for a system of public education through which all students will become educated, responsible, and contributing citizens.

**Mission:** The mission of the South Carolina Department of Education is to provide leadership and services to ensure a system of public education through which all students will become educated, responsible, and contributing citizens.

**C. Summary Description of Strategic or Long-Term Goals:**

The past four years have seen unprecedented improvement in our public schools. It is important to the future economic and social well-being of our state as a whole that this momentum be maintained. The State Superintendent of Education charged in state law to “keep the public informed as to the problems and needs of the public schools. . .” (S.C. Code Ann. Section 59-3-30(4)). With this charge in mind, the enclosed budget is proposed for the Department of Education for fiscal year 2005–06.

The Department of Education is requesting full funding of the Education Finance Act (EFA) and related district employer contributions in accordance with S.C. Code Ann. Section 59-20-40. In addition funding is requested to sustain the S.C. school bus transportation system, to resource the Education Accountability Act, to revitalize the K–12 Technology Initiative; to provide for school textbooks and instructional materials, and to expand critical early childhood education efforts.

We realize fully that the State is in a budget crisis and that many agencies have had to make tremendous reductions to their budgets, even terminating employees. That being noted, however, the legal responsibility of the Superintendent of Education obligates the Department of Education to submit a request for additional funding to call to the attention of the General Assembly the costs associated with full implementation of the Education Finance Act, Education Accountability Act and other mandated programs. If revenues are not available for these mandates, the State Department of Education will continue to work with the General Assembly and will request statutory relief and adjustments in these mandates.

The following presents the strategic aims of the Department of Education.

**Strategic Aim 1. High Student Achievement.** Promote high student achievement by establishing and sustaining rigorous academic standards designed to ensure that all students in the state are taught the same high academic content and that they are all on grade level. South Carolina students must receive the same advanced academic preparation as students in other states and countries.

**Strategic Goals:**

- 1.1 Students are held to rigorous and relevant academic standards.
- 1.2 Students demonstrate essential knowledge and skills as described in the curriculum standards.
- 1.3 Students graduate from high school ready for college or a career.
- 1.4 Students use technology to reach higher levels of learning.
- 1.5 The state educational system components are accountable and aligned so that all students reach a high level of academic achievement.

**Strategic Aim 2. Teacher Quality.** Ensure an adequate supply of quality, caring, and competent teachers for all South Carolina classrooms by promoting strategies for the recruitment, training, and retention of teachers. Make dramatic changes in the way teachers are prepared. Implement and align standards and policies through a statewide review of teacher education programs. Establish and expand a network of Professional Development schools, where teachers can learn new standards and turn them into lesson plans. Develop a new certification system where certificate advancement will be connected to performance and recertification regulations to give teachers more flexibility. Initiate efforts to move the average South Carolina teacher's salary to the national average.

**Strategic Goals:**

- 2.1 Teacher recruitment and retention programs are successful.
- 2.2 Teacher preparation programs produce highly qualified teachers.
- 2.3 Teachers are qualified, competent, ethical, and caring.
- 2.4 Teacher professional development programs are effective.

**Strategic Aim 3. Early Childhood Education.** Increase and sustain emphasis on preparation of children in the early years through pre–K programs such as First Steps for School Readiness, Four-Year-Old Half Day Program, and Family Literacy initiatives. These efforts will help school districts enhance the foundation for student success so that all students enter first grade ready to learn and succeed.

**Strategic Goals:**

- 3.1 Children enter the first grade ready to learn and succeed.
- 3.2 Children have access to quality early childhood programs.
- 3.3 Children and their families have access to quality family literacy programs.

**Strategic Aim 4. Parental and Community Partnerships.** Facilitate increased involvement of parents, community leaders, and business partnerships in public schools of the state.

**Strategic Goals:**

- 4.1 Parents are active partners in their child's learning.
- 4.2 Communities are active partners in student learning.
- 4.3 Businesses are active partners in student learning.

**Strategic Aim 5. Safe and Healthy Schools.** Enhance efforts and provide leadership through the Office of Safe and Healthy Schools. Continue providing guidance counselors, social workers, school psychologists, and school safety/resource officers. Increase the number of alternative schools to serve students who are not succeeding in traditional school programs. Increase emphasis on character education programs, peer mediation/conflict resolution, mentoring, discipline policies, law enforcement partnerships, school-based mental health counselors, school facilities, and school attendance. Provide a safe physical environment conducive for learning. Replace obsolete or aging facilities, begin a school bus replacement cycle for the high mileage bus fleet, and improve the salaries for bus mechanics and drivers.

**Strategic Goals:**

- 5.1 Schools are safe, healthy places with environments that are conducive for learning.
- 5.2 School facilities are safe, functional, and adequate.

- 5.3 The public school transportation system is safe and efficient.  
 5.4 Schools form community and state alliances that promote the health, safety, and well-being of students.

Strategic Aim 6. Education Leadership. Improve the quality of school site leadership by providing principals access to the very best training in education, management, leadership, communication, and technology through the CP&L School Leadership Executive Institute. Provide training slots to school districts needing special assistance through the Education Accountability Act, as well as principals nominated by their school districts. Expand the Principal Mentor and Principal Induction Programs. Work to ensure aligned state education leadership.

Strategic Goals:

- 6.1 School leaders are highly qualified, caring, and supportive.  
 6.2 State education leadership is aligned.  
 6.3 Education leadership is accountable.  
 6.4 Professional development programs support education leaders.

**D.**

Summary of Operating Budget Priorities for FY 2008–09:		Funding					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No: 1	Title: Education Finance Act (EFA) & Employer Contributions	\$0	\$91,323,629	\$0	\$0	\$91,323,629	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.1-6.4 Activity Number & Name: 675-676; EFA and Fringe										
Priority No: 2	Title: Elevating and Reinvigorating the Teaching Profession	\$0	\$29,387,962	\$0	-5,422,037	\$23,965,925	5	0	0	5.00
Strategic Goal No. Reference in Item C Above: 2.1-2.4 Activity Number & Name: NEW – Elevating and Reinvigorating the Teaching Profession 745, 686, 687, 688										
Priority No: 3	Title: EAA Assessment	\$0	\$37,725,734	\$0	-14,249,903	\$23,475,831	5	0	0	5.00
Strategic Goal No. Referenced in Item C Above: 1.2 Activity Number & Name: 759; Assessment & Testing Activities										
Priority No: 4	Title: Innovation and Choice	\$45,000	\$7,029,305	\$0	\$680,000	\$7,754,305	12	0	0	12.00
Strategic Goal No. Referenced in Item C Above: 1, 5, 5.1, 5.2 Activity Number & Name: NEW 2 – Innovation: Public Choice Innovation Schools										
Priority No: 5	Title: EAA School Technical Assistance and Intervention	\$0	\$56,023,235	\$0	\$0	\$56,023,235	9	0	0	9.00
Strategic Goal No. Referenced in Item C Above: 1.1-1.3, 2.3, 2.4, 3.1, 3.2, 6.4, Activity Number & Name: 679, 723, 725; EAA										
Priority No: 6	Title: Public School Child Development Education Pilot Program (CDEPP)	\$0	\$94,610,792	\$0	\$0	\$94,610,792	6	0	0	6.00
Strategic Goal No. Referenced in Item C Above: 3.1 Activity Number & Name: 1715 Public School Child Development Education Pilot Program										
Priority No: 7	Title: Education & Economic Development Act (EEDA)	\$0	\$9,028,597	\$0	\$0	\$9,028,597	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.3 Activity Number & Name: 1719 Education & Economic Development; EDA										

Summary of Operating Budget Priorities for FY 2008–09:		Funding					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No: 8	Title: Transportation	\$0	91,819,800	\$0	\$0	\$91,819,800	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 5..3 Activity Number & Name: 708, 749-751; School Transportation System										
Priority No: 9	Title: Student Health and Fitness Act	\$0	\$15,255,001	\$0	\$0	\$15,255,001	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.2, 1.5, 5.1, 5.4; Activity Number & Name: 764 – Coordinated School Health Programs										
Priority No: 10	Title: K-12 Technology Initiative	\$0	\$47,958,917	\$0	\$0	\$47,958,917	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.4, 1.5,5.3,6.4 Activity Number & Name: 757; K-12 Technology Initiative										
Priority No: 11	Title: Parenting, Family Literacy, and Parental Involvement	\$0	\$9,387,400	\$0	\$0	\$9,387,400	3	0	0	3.00
Strategic Goal No. Referenced in Item C Above: 3.1 Activity Number & Name: 737; Parenting & Family Literacy										
Priority No: 12	Title: EAA Data Collection and Reporting	\$0	\$12,072,902	\$0	\$0	\$12,072,902	5	0	0	5.00
Strategic Goal No. Referenced in Item C Above: 1.5, 5.3 Activity Number & Name: 755- Data Collection; 756- SUNS										
Priority No: 13	Title: Adult Education	\$0	\$5,755,524	\$0	\$0	\$5,755,524	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above:3.1, 3.2 Activity Number & Name: 740; Young Adult Education										
Priority No: 14	Title: Students with Disabilities	\$0	\$5,250,000	\$0	\$0	\$5,250,000	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.1 Activity Number & Name: 694; Services for Students with Disabilities										
Priority No: 15	Title: Virtual Learning Program	\$0	\$1,253,135	\$0	\$0	\$1,253,135	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.4, 1.5, 5.3 Activity Number & Name: New – Virtual Learning Program										
Priority No: 16	Title: Textbooks, Instructional Materials, Library Books	\$0	\$4,331,413	\$0	\$0	\$4,331,413	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.1 – 1.5 Activity Number & Name: 760; Instructional Materials - Textbooks										
Priority No: 17	Title: K-5/6-8 Enhancement Funds	\$0	\$0	\$0	\$49,614,527	\$49,614,527	0	0	0	0.00
Strategic Goal No. Referenced in Item C Above: 1.1, 2.2 Activity Number & Name: 713; K-5/6-8 Enhancement Funds										
TOTAL OF ALL PRIORITIES		\$45,000	\$518,213,346	\$ 0	\$30,622,587	\$548,880,933	45	0	0	45.00

**E. Agency Recurring Base Appropriation:**

<b>State</b>	\$2,315,930,459
<b>Federal</b>	\$689,892,684
<b>Other</b>	\$721,863,112

**F. Efficiency Measures:** See Agency Accountability Report

**G.** NA

**H. Number of Proviso Changes:** 13

**I. Signature/Agency Contacts/Telephone Numbers:**

\_\_\_\_\_/John K. Cooley/734-8123 or 734-8122

\_\_\_\_\_/Len Richardson/734-8504 or 734-8122

\_\_\_\_\_/Sandy Smith/734-3384 or 734-8625

A. **Agency Section/Code/Name:** Section 1, H63–Department of Education

B. **Priority No. 1 of 17**

C. (1) **Title:** Education Finance Act-EFA and General Fund District Employer Contributions

(2) **Summary Description:** The Education Finance Act (EFA) provides the basic foundation program funding across the entire state for approximately 680,000 students. District Employer Contributions provides the state's portion of the general fund employer contributions increase associated with the Education Finance Act (EFA) increase. Funding is provided to all 85 public school districts, two special districts, and one special school.

(3) **Strategic Goal/Action Plan:** High Student Achievement and Teacher Quality

D. **Budget Program Number and Name:** XIII.A. – Education Finance Act and Employer Contributions

E. **Agency Activity Number and Name:** 675 – Foundation Education Program – Education Finance Act (EFA); 676 – Employer Contributions

F. **Detailed Justification for Funding:**

(1) **Justification for Funding Increase:**

EFA. The EFA provides the basic funding for the foundation program. The requested increase provides funding at the estimated student count (weighted pupil units) and Base Student Cost as projected by the Office of Research and Statistics, Budget and Control Board. Funding for the SC Public Charter School District is also included. The increased funding provides the resources to achieve strategic aims of High Student Achievement and Teacher Quality. The end result of the program is to provide the foundation funding for student learning so SC students will become educated, responsible, and contributing citizens. Accountability and effectiveness is measured through audit compliance for expenditures, local required effort, adequacy of estimates, and student learning. This program provides the basic state and local education funding and all other state and local education programs complement the EFA. This program is the number one priority because it funds the foundation program on which all other items are based. Applicable state statutes: S.C. Code Ann. Section 59-20-20 through 59-20-80. SDE current resources are inadequate to cover the increase.

Employer Contributions. Employer Contributions provides the state's share of employer contributions. The intent is to provide, on average, 70% of school districts' expenditures for employer contributions less federal employees. The measure of success is determined during audits and if the state provided its share. Currently state funding is providing approximately 60% to 65% instead of 70%. This program complements other state and local funding in order to provide the total employer contributions requirement. This program is a high priority because it provides the required employer contribution associated with the EFA, which is priority one. Local, EIA, Federal and other funds assist in meeting the employer contributions requirements for school districts. Applicable state statutes are 59-20-20(2) (g), 59-21-160, 59-21-170. SDE current resources are inadequate to meet this increased requirement.

(2)

FY 2008–09 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Pass-Through Funds		\$91,323,629			\$91,323,629
<b>Total</b>	\$ 0	\$91,323,629	\$ 0	\$ 0	\$91,323,629
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

<b>State</b>	\$1,506,721,766	EFA, General Fund
	\$ 449,768,445	Employer Contributions, General Fund
<b>Federal</b>		
<b>Other</b>		

(4) **Is this priority associated with a Capital Budget Priority?** NO If yes, state Capital Budget Priority Number and Project Name: NA

**G. Detailed Justification for FTEs: NA**

**H. Other Comments:**

The following information is provided:

EFA  
FY 2008 Appropriated EFA Inflation Factor 4.60%  
FY 2008 Appropriated Projected Base Student Cost (BSC): \$2,476  
FY 2009 EFA Inflation Factor 4.12%  
FY 2009 Projected Base Student Cost (BSC): \$2,578  
FY 2009 Projected Weighted Pupil Unit (WPU) Count: 872,274  
EFA Calculation Formula: (BSC X WPUs X 0.70) + Other Agencies and Programs  
( $\$2,578 \times 872,274 \times 0.70$ ) = \$1,574,105,660  
Home Instruction = \$580,050  
Palmetto Unified = \$2,685,245  
DJJ = \$3,915,982  
School-Deaf and Blind = \$1,443,680  
SC Public Charter Dist = \$1,484,928  
FY 2009 TOTAL REQUIRED = \$1,584,215,545  
LESS FY 2008 BASE = \$1,506,721,766  
FY 2009 REQUESTED INCREASE = \$77,493,779

Employer Contributions:  
FY 2009 EFA total increase = \$77,493,779  
Estimated % of EFA related to salaries = 88%  
FY 2009 estimated employer contribution rate = 20.28%  
Calculation Formula:  
( $\$77,493,779 \times .88 \times 20.28\%$ ) = \$13,829,850  
FY 2009 REQUESTED INCREASE = \$13,829,850  
FY 2009 TOTAL EFA AND EMPLOYER CONTRIBUTIONS REQUESTED INCREASE  
= \$91,323,629

NOTE 1: This item impacts SC Average Teacher Salaries and is synchronized with the National Board, Teacher Specialist, and EIA Teacher Salary Supplement.

**A. Agency Section/Code/Name:** Section 1, H63-Department of Education

**B. Priority No. 2 of 17**

**C. (1) Title:** Programs and Initiatives Aimed at Elevating and Reinvigorating the Teaching Profession

**(2) Summary Description:** For too long the teaching profession in the United States has been relegated to a second tier profession. Schools and school districts have a difficult time attracting and retaining the best and brightest individuals to the teaching force. As college students compare both compensation and working conditions in the teaching profession with other professions, it is easy to see why they choose against teaching. Young professionals know that teachers make less money, have less flexibility, less potential for advancement, less opportunity for innovation and creativity, and yet assume greater responsibility than any other professional career. Until the teaching profession is elevated and reinvigorated South Carolina will continue the struggle to recruit the quality and number of teachers needed to effectively educate all of the state's children. And, schools will continue to experience difficulty retaining our best and brightest teachers. The programs and initiatives below provide a foundation for elevating the teaching profession. These programs and initiatives address the need to significantly refine our approach to teacher recruitment; to provide appropriate compensation to teachers; to provide an induction and mentoring system that helps all teachers learn and grow; to create systems that reward teachers for positive student outcomes; to create school cultures that value teachers; and to give teachers the tools and support they need to succeed.

Keeping Educators Effective – Keeping Effective Educators (KE<sup>2</sup>). If the culture of a school improves, it creates better teaching and learning. Better teaching and learning leads to higher student achievement. Consequently, significant steps must be taken to create a school culture in South Carolina schools that leads to increased student performance. In the past, the education community has taken an incremental and disjointed approach to addressing the culture in our schools. Programs like ADEPT, teacher mentoring, instructional coaching, peer coaching, and professional learning communities (PLC) have all made positive contributions to improving school culture. However, these programs have been sub-optimized because their delivery has been isolated and disconnected. KE<sup>2</sup> creates synergy and focus in these programs. It creates a clear and transparent system for induction, mentoring, and professional growth. This concept is built on the creation of Professional Research, Support, and Design Teams (RSDT) in every school. The teams would serve as an incubator for ADEPT Goals Based Evaluations (GBE), as professional learning communities focused on school issues, and as collaborative mentoring hubs. New teachers would have a one-on-one mentor during their induction year. The mentors would sponsor new teachers as they join the RSDT. After a successful induction year, new teachers would use all members of the RSDT as part of their mentoring team. This approach takes advantage of the strengths, skills, and abilities of all teachers in the school. KE<sup>2</sup> would establish KE<sup>2</sup> leaders in every district to implement and oversee the delivery of this initiative.

Effective Educator Incentive Program (EEIP). South Carolina received over \$41M in the last two years from the Teacher Incentive Fund (TIF) federal grant. These funds have been used to deliver several iterations of the Teacher Advancement Program (TAP). Initially schools that received funding delivered TAP strictly aligned to the national TAP model. However, the delivery has been adapted and refined in subsequent iterations to be more tailored to the needs of South Carolina schools (SC TAP). There are currently 45 schools (10 districts) implementing this educator improvement and incentive program. Our efforts in this area have made South Carolina a national leader in educator incentive programs tied to student achievement. To date, there has not been any state funding to support incentives for highly effective teachers and school leaders. This proposal would provide state funding for the expansion of SC TAP to an additional 15 schools. Other teacher incentive pay models are also showing great promise. The ProComp initiative in Denver schools is a good example of an educator incentive model that has gained the support of teachers and community leaders and is demonstrating positive outcomes. EEIP would also provide funding for schools to pilot new incentive pay options like ProComp. Schools would be given funds to plan and implement an incentive pay program which would be monitored to determine its viability for expansion to other SC schools. Finally, EEIP would provide each district with incentive funds to be used to help recruit high quality individuals for hard-to-fill faculty and staff positions. These funds can only be used for bonuses or stipends as compensation for filling a critical needs position, as compensation for special skills and credentials, or as incentives for assuming additional duties and responsibilities. This initiative would further the state public school choice initiative by providing an EEIP school within reasonable driving distance of every family. This initiative would also elevate the teaching profession by improving the school culture and teacher efficacy in these schools.

National Board for Professional Teaching Standards (NBPTS) Certification. Section 59-26-85 provides for an incentive pay increase to teachers who become certified by the National Board for Professional Teaching Standards (NBPTS). Providing additional pay for this prestigious accomplishment improves teacher quality and working conditions in our schools. The pay increase shall be determined annually in the appropriations act.

Teaching Transition Program (TTP). It is not enough to have the right number of teachers in South Carolina. Schools must have the right teachers, with the right skills, in the right classrooms. This program would provide a vehicle for practicing educators to transition into teaching areas that have an unmet demand. Two circumstances currently exist that highlight the need for TTP. There is not a sufficient number of middle level teachers to fill middle school classrooms and there is a shortage of special education teachers across South Carolina. These shortages are being addressed by two initiatives, ML-TEACH and Project CREATE. ML-TEACH provides coursework and assistance leading to an add-on certification in the appropriate middle level content area. Project CREATE provides a similar pathway for experienced teachers to transition into special education classrooms. Funding TTP would support ML-TEACH, Project CREATE, and other identified educator transition needs in South Carolina. This effort provides more career opportunities for the state's teaching force and puts highly qualified teachers in the right classrooms.

SCTeacherVillage.com. A critical problem in South Carolina is the high turn-over rate of teachers within the first five years of teaching. This is a particularly difficult problem in rural schools. Even if when districts are able to recruit and hire highly qualified teachers in these rural schools, they often leave after a very short tenure. While compensation plays a part in the high turn-over in rural schools, the lack of community and connectedness is cited by many teachers as the reason they leave these schools. It is very difficult for a young teacher to find a group of friends with common interest and backgrounds in rural areas of our state. Technology helps provide an answer to this problem. Young people today use on-line "social networks" as a primary tool to establish and maintain friendships. Establishing an on-line social network for new teachers in South Carolina would help replace the feeling of isolation and loneliness with a feeling of community. SCTeacherVillage.com would provide a safe and secure social network for South Carolina's newest education professionals. The network would also provide links to professional websites and educational information.

Teaching Teams Sponsorship Program (TTSP). This initiative links experienced teachers to cohorts of college seniors enrolled in teacher education programs. Under this concept experienced teachers would be released from their district for one year to serve as a resident instructor at one of the state's teacher education programs. While in residence this experienced teacher would recruit and mentor a cohort of students who would commit to returning with the teacher in residence to his or her home district. The teacher in residence would sponsor these new teachers as they arrive in the district and would serve as a mentor and advisor as they begin their new careers. TTSP would provide teacher education programs with a teacher in residence who has recency in the classroom; provide students with a sponsor into their profession and school district; and provide an immediate social and professional network for these new teachers. This would result in better prepared teachers who are more likely to be retained in their districts. This initiative would pilot this TTSP in four district / college collaborations.

Encouraging Careers in Teaching. The teacher recruitment effort in South Carolina must be completely recast. No longer can the education community take a passive approach to filling classrooms. To compete with other professions for top tier talent South Carolina must actively and aggressively market to that population. This initiative would include a multi-pronged marketing campaign. The campaign would target in-state high school students, college undergraduates, career changers, individuals that have transitioned from the teaching profession, and out-of-state educators. The goals of this initiative are to increase the number and quality of individuals seeking careers in education, to decrease the turn-over rate in our schools and to increase the number of male and minority teachers in South Carolina.

Report Card for Educator Preparation Programs. Title II, Section 207, of the Higher Education Act (HEA) as passed in 1998 requires states, as recipients of HEA funds, and all institutions with educator preparation programs that enroll students receiving federal financial assistance, to prepare annual reports on educator preparation and certification. A data warehouse will be developed to meet the needs of Title II and the needs of the State Board of Education, state legislature, and other key education policymakers. This system will provide data and information so that data-driven decisions can be made. The requested increase provides funding to carry out the state and federal annual reporting requirements, which assure that institutional program effectiveness is reviewed through such program completion indicators as certification exam pass rates (PRAXIS II exam), teacher induction and evaluation program performance, and surveyed perceptions of program effectiveness. The state report card requires information about three basic areas: state certification requirements, the institutions and alternative routes that prepare teachers and their success in doing so as measured by pass rates on certification tests, and the numbers of teachers in the state, both those who are and those who are not fully certified to teach. The state report also must rank order institutions and alternative preparation routes in quartiles in each of seven categories by percent of candidates passing the assessments. The end result of the program is to fulfill the requirements to provide a description of state efforts to improve teacher quality and to identify both low-performing educator preparation programs and those at-risk of being considered low performing, providing technical assistance to those programs so designated. No resources are provided to cover the increase in costs associated with meeting this mandate by Title II, Section 207 of the HEA and the State Board Requirements.

Teacher Supplies. It is important that teachers have additional funds to supplement supplies and materials provided by the school district. Teachers understand best the needs of their students. This initiative provides funding for eligible teachers, guidance counselors, and media specialists to purchase instructional supplies and materials.

Teacher Salary Supplement and Employer Contributions. This EIA program provides the additional funds needed over and above base salary funding to achieve and/or exceed the projected southeast average teacher salary for over 47,000 teachers throughout the entire state.

**(3) Strategic Goal/Action Plan:** Elevate and reinvigorate the teaching profession

- 1.1 Students are held to rigorous and relevant academic standards.
- 2.1 Teacher recruitment and retention programs are successful.
- 2.2 Teacher preparation programs produce highly qualified teachers.
- 2.3 Teachers are qualified, competent, ethical, and caring.
- 2.4 Teacher professional development programs are effective.
- 5.1 Schools are safe, healthy places with environments that are conducive to learning
- 6.4 Professional development programs support education leaders.

**D. Budget Program Number and Name:** IV, XI.C.2 – Teacher Quality; XII.A – National Board

**E. Agency Activity Number and Name:** NEW – Elevating and Reinvigorating the Teaching Profession; 745 – Teacher Education; 686 – Teacher Salary Supplement; 687 – Teacher Salary Supplement Employer Contributions; 688 – National Board Certification

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** Improving school culture in South Carolina can not continue to be a piecemeal effort. Funding this comprehensive package of initiatives will have a significant positive impact on school culture, teaching and learning, and student performance.

Keeping Educators Effective – Keeping Effective Educators (KE<sup>2</sup>). The centerpiece of this program is funding for a KE<sup>2</sup> Leader in each school district. Salary and fringe for the KE<sup>2</sup> Leaders is a significant part of this budget request. (86 districts x \$60,000 salary and \$16,800 fringe = \$6.6M) It is critical that each district has the capacity to deliver this program. Additional funding is needed to provide training and support to the KE<sup>2</sup> Leaders, training and materials for mentors, implementation of the school districts ADEPT plan and integration of other efforts to improve the school culture (\$25,000 to \$50,000 per district = \$3.4M). Some assistance must be provided to IHEs so that they can integrate this new approach into their teacher education programs (32 IHEs x \$5,000 = \$160,000). KE<sup>2</sup> will be administered by two professionals and one administrative specialist who will provide oversight and support (\$287,900). An annual conference focused on this project will also be planned and executed by the staff. The total cost of KE<sup>2</sup> is \$10,467,000.

Effective Educator Incentive Program (EEIP). Nearly all of the funds in EEIP flow through to local school districts to provide incentives to effective teaching. Funding this effort will give us multiple teacher incentive models to observe and evaluate. \$4,069,500 will be used to expand SC TAP to 15 new schools, \$2,000,000 will be used to pilot educator incentive programs like ProComp into new schools. This will support 500 educators in this program (12-15 schools). Finally, EEIP will distribute between \$25,000 and \$50,000 to districts based on their teacher population to be used as incentives for hard-to-fill positions (86 districts x \$37,500 = \$3,225,000) EEIP takes advantage of proven programs while exploring new opportunities for the future. EEIP will be administered by one professional and one administrative specialist who will provide oversight and support (\$128,000). The total cost for EEIP is \$9,422,500.

National Board for Professional Teaching Standards (NBPTS) Certification. Section 59-26-85 provides for an incentive pay increase to teachers who become certified by the NBPTS. Providing additional pay for this prestigious accomplishment improves teacher quality and retention. The FY2007 number of NBPTS certified teachers receiving the incentive was 4,713. Based on previous pass rates and current NBPTS certified teachers, the State anticipates having approximately 5,450 NBPTS certified teachers by November 2007 (FY2008) and 5,690 NBPTS certified teachers by November 2008 (FY2009). Total current year appropriation request is for \$56,223,900; prior year appropriation was \$51,885,838; requested increase for FY 2009 is for \$4,338,062 (see Paragraph H, other comments).

Teaching Transition Program (TTP). This effort provides a path for experienced teachers to transition to teaching positions where demand exceeds current supply. Current programs include ML-TEACH for transition to middle level and Project CREATE for transition to Special Education. The total cost for TTP is \$360,000.

SCTeacherVillage.com. This initiative creates an on-line social network for new teachers in South Carolina. It will provide a feeling of connectedness and community for teachers in rural locations. The cost to create and deliver

SCTeacherVillage.com is \$250,000.

Teaching Teams Sponsorship Program (TTSP). This pilot program places Teachers in Residence at four teacher education colleges so that they can recruit, sponsor and mentor a cohort of new teacher for their home district. Funds would pay the salary and fringe for the Teachers in Residence (\$307,200), training and support of the program (\$50,000) and loan repayment and bonuses for the cohort teachers (20 teacher x up to \$5,000 each = \$100,000). The total cost of TTSP is \$457,200.

Encouraging Careers in Teaching. This comprehensive marketing and public relations campaign will target five media markets in South Carolina (Columbia, Charleston, Greenville, Charlotte/Rock Hill, and Augusta/Aiken). It will focus on increasing the diversity, quality, and number of individuals starting careers in education. The cost for Encouraging Careers in Teaching is \$500,000 per market for a total of \$2,500,000.

Report Card for Educator Preparation Programs. SDE is required to accredit the educator preparation program of all institutions of higher education in South Carolina. Institutions must meet relevant state and federal accreditation and program standards as provided by the National Council for the Accreditation of Teacher Education (NCATE), Title II of the Federal Higher Education Act (HEA) of 1998, and the SC Code of Laws. SDE prepares and submits the Title II State Report to the US DOE as mandated by Title II, Section 207 of the HEA and is responsible for producing an additional report card for the State Board of Education.

The State currently lacks the ability to adequately access and monitor educator preparation programs in terms of pertinent trends such as graduation rates, candidate satisfaction rates and critical needs such as programming quality and distance education opportunities for the state. A Data Warehousing computing environment will enable policy makers to examine the comprehensive state of educator preparation programs in South Carolina without overdependence on technical analysts. The SDE will use this data to produce an annual fact sheet on each institution that prepares educators. Total cost for Higher Education Educator Report Card is \$180,000.

Teacher Supplies. The projected FY2009 total cost for teacher supplies is (51,500 staff x \$275) = \$14,162,500 less FY2008 recurring appropriation of \$12,750,000. The requested increase is \$1,412,500.

Teacher Salary Supplement and Employer Contributions. This request synchronized with the EFA, national board certification, and teacher specialist requests provides teacher salary supplement and related fringe to exceed the southeastern average teacher salary by \$300. The SC average salary goal for FY2009 is set to be \$47,304 and is projected to exceed the southeastern average teacher salary by \$300. The State Minimum Salary Schedule would increase by approximately 3.76% and the average SC teacher salary would increase by approximately 3.46%. This request is subject to the General Assembly's action on the EFA and National Board Certification budget requests. This program permits the state to achieve or exceed the projected southeast average teacher salary. Program success will be measured by comparing South Carolina average teacher salary to the southeastern average teacher salary. For FY2007, the actual South Carolina average teacher salary was \$44,336. The FY2008 projected South Carolina average teacher salary is \$45,722. The FY2009 projected southeast average teacher salary is \$47,004. These salary estimates include National Board Certification and Teacher Specialist incentives. The EIA teacher salary supplement and fringe line items complement base funding for teacher salaries. This program provides for meeting the southeastern average teacher salary as projected by the Office of Research and Statistics, Budget and Control Board. Applicable state statute: S. C. Code Ann. § 59-20-50(b). The current year total cost for Teacher Salary Supplement and Employer Contributions is \$90,324,867; the prior year appropriation for Teacher Salary Supplement and Employer Contributions was \$95,746,904. Requested FY2009 decrease of \$5,422,037.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		5.00			5.00
(b) Personal Service		\$275,000			\$275,000
(c) Employer Contributions		\$77,000			\$77,000
Pass-Through to Districts		\$25,977,062	\$ 0	-\$5,422,037	\$20,555,025
Other Operating Expenses		\$3,058,900			\$3,058,900
<b>Total</b>	\$ 0	\$29,387,962	\$ 0	-\$5,422,037	\$23,965,925
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

<b>State</b>	\$8,278,549
<b>Federal</b>	\$39,789,035
<b>Other</b>	\$157,087,018

**(4) Is this priority associated with a Capital Budget Priority?** NO **If yes, state Capital Budget Priority Number and Project Name** NA

**G. Detailed Justification for FTEs:****(1) Justification for New FTEs**

**(a) Justification:** It will require additional human resources to elevate and reinvigorate the teaching profession. While some responsibilities for this effort can be shifted to existing personnel, the breadth and scope of this effort requires some new staff. Keeping Educators Effective – Keeping Effective Educators (KE<sup>2</sup>) will require two new professional staff and one administrative specialist. This staff will oversee the delivery of this program, provide training and support to 86 district KE<sup>2</sup> Leaders, manage pass through funds to the district, and review and report on the success of this program. Effective Educator Incentive Program (EEIP) will require a new professional staff member and administrative specialist to oversee the new pilot educator incentive model. This pilot will include 12-15 schools and approximately 500 teachers.

**(b) Future Impact on Operating Expenses or Facility Requirements:** The request would require recurring expenses for salaries and fringe benefits for each of the five positions, office supplies, telephone, and office space rental. Initial (but non-recurring) costs could include office furniture and computers if these items are not available.

**(2) Position Details:**

	<b>State</b>	<b>Federal</b>	<b>Earmarked</b>	<b>Restricted</b>	<b>Total</b>
Position Title: Education Associate II					
(a) Number of FTEs	3.00				3.00
(b) Personal Service	\$225,000				\$225,000
(c) Employer Contributions	\$63,000				\$63,000

	<b>State</b>	<b>Federal</b>	<b>Earmarked</b>	<b>Restricted</b>	<b>Total</b>
Position Title: Administrative Specialist II					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$50,000				\$50,000
(c) Employer Contributions	\$14,000				\$14,000

**(3) FTEs in Program Area per FY 2007-08 Appropriation Act:**

<b>State</b>	20
<b>Federal</b>	7
<b>Other</b>	19

**Agency-wide Vacant FTEs as of July 31, 2007:** 64

**% Vacant** 6%

**H. Other Comments:**

This budget request synchronizes programs that support the reinvigoration and elevation of the teaching profession. This integrated approach reduces redundancy and encourages collaboration across these programs. By improving the number, quality, and diversity of South Carolina's teaching force, the culture of the state's schools will improve as well as the teaching and learning in those schools. The vast majority of funds for this important initiative pass through to districts and higher education institutions. Resources are rightfully focused where they will have the greatest impact on teacher quality and student performance. While funding these teacher quality programs individually will have a positive impact, funding this proposal as an aggressive package will amplify the effect. The matrix below provides more detail on the distribution of funds under this proposal.

**Explanation of Program Services and Other Operating Expenses**

<b>Initiative</b>	<b>FTE</b>	<b>Total Cost</b>	<b>Pass thru to districts</b>	<b>Pass thru other</b>	<b>Personnel Services</b>	<b>Other Operating</b>
Keeping Educators Effective – Keeping Effective Educators (KE <sup>2</sup> ).	3	\$10,467,700	\$10,004,800	\$160,000	\$224,000	\$78,900
Effective Educator Incentive Program (EEIP).	2	\$9,422,500	\$9,222,500	0	\$128,000	\$72,000
National Board for Professional Teaching Standards (NBPTS) Certification		\$4,338,062	\$4,338,062			0
Critical Teaching Transition Program (TTP).		\$360,000		\$360,000		0
SCTeacherVillage.com		\$250,000				\$250,000
Teaching Teams Sponsorship Program (TTSP).		\$457,200	\$100,000	\$307,200	0	\$50,000
Encouraging Careers in Teaching		\$2,500,000				\$2,500,000
Report Card for Educator Preparation Programs		\$180,000				\$180,000
Teacher Supplies		\$1,412,500	\$1,412,500			0
Teacher Salary Supplement and Employer Contributions		\$-5,422,037	-\$5,422,037			0
						0
<b>Total</b>	<b>5</b>	<b>\$23,965,925</b>	<b>\$19,655,825</b>	<b>\$827,200</b>	<b>\$352,000</b>	<b>\$3,130,900</b>

**CALCULATIONS:**

National Board Certification:

Salary: 5,900 NBPTS Teachers X \$7,500 =	\$44,250,000
Employer Contributions = \$44,250,000 x .2028 =	\$8,973,900
New Applicants =1,200 X \$2,500 =	\$3,000,000
Total Required =	\$56,223,900
Less Prior Year Appropriation =	-\$51,885,838
Current Year Required Increase =	\$4,338,062

NOTE: The national board certification impacts SC Average Teacher Salaries and is synchronized with the EFA, Teacher Specialist, and EIA Teacher Salary Supplement.

**A. Agency Section/Code/Name:** Section 1, H63—Department of Education

**B. Priority No. 3 of 17**

**C. (1) Title:** Assessments

**(2) Summary Description:** EAA Requirements—Palmetto Achievement Challenge Tests (PACT), High School Assessment Program (HSAP), Alternate Assessments (SC-Alt), South Carolina Readiness Assessment, End-of-Course Tests (EOCEP), PSAT/PLAN, Performance Tasks for Gifted and Talented (GT), Grade 2 census testing for G&T, formative assessments, an adoption list of formative assessments, adoption of developmentally appropriate formative reading assessments for grades 1 and 2, and professional development on the use of formative assessments. Carl D. Perkins Career and Technology Act calls for the CATE assessments. Work Sampling is used to fulfill the requirements of Proviso 1.64. NCLB requires English Language Development Assessment (ELDA) for English proficiency.

**(3) Strategic Goal/Action Plan:** EAA Assessment—Strategic Aim 1: High Student Achievement. Goal 1.2: Students demonstrate essential knowledge and skills as described in the curriculum standards.

**D. Budget Program Number and Name:** III, XI.A.2, XI.E.2, XV, XVII.C, Assessment and Testing Activities, EAA Assessment; XV – Education Accountability Act

**E. Agency Activity Number and Name:** 759 – Assessment and Testing Activities

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** Projected cost of assessments for SDE is \$60,529,120. Contracts for test development, PACT, HSAP, EOCEP, Grade 2 census for G&T, and ELDA will be re-bid in FY2008; these contract costs are based on current contract costs and italicized in Section H. This request includes items previously included in separate requirements: formative and interim assessment, Grade 2 census for identification of G&T students, additional costs for the Performance Tasks for the Identification of G&T students, Work Sampling, AP Exams. New initiatives include EPAS and CATE. NOTE: This request reflects \$14,249,903 transfer from Other Fund – EIA to General Fund to conform to August 29, 2007, preliminary EIA revenue estimate. Current base recurring state appropriation for Assessment is \$31,141,129; projected federal funding is \$6,300,000; projected total is \$37,441,129; requested increase is \$23,087,991.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		5.00			5.00
(b) Personal Service		\$303,000			\$303,000
(c) Employer Contributions		\$84,840			\$84,840
Pass-Through Funds		\$14,400,000			\$14,400,000
Other Operating Expenses		\$22,937,894	0	-\$14,249,903	\$8,687,991
<b>Total</b>	\$ 0	\$37,725,734	\$ 0	-\$14,249,903	\$23,475,831
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

<b>State</b>	\$ 7,630,000
<b>Federal</b>	\$ 6,300,000 Estimated but no confirmation
<b>Other</b>	\$ 23,511,129

**(4) Is this priority associated with a Capital Budget Priority? NO. If yes, state Capital Budget Priority Number and Project Name:** NA

**G. Detailed Justification for FTEs:**

**(1) Justification for New FTEs**

**(a) Justification:** Act 254 requires that formative assessments be evaluated for alignment to the standards and other criteria jointly determined by the Department and the Education Oversight Committee. In order to accomplish this work, a five-person unit is required. Each of the five FTEs will have expertise in the following subject areas respectively: ELA, mathematics, science, social studies, early reading/literacy. The staff members would evaluate submissions to the adoption list annually, oversee formative test administration, and provide professional development on formative and classroom assessment techniques.

**(b) Future Impact on Operating Expenses of Facility Requirements:** NA

**(2) Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title: Education Associate III					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$63,000				\$63,000
(c) Employer Contributions	\$17,640				\$17,640

	State	Federal	Earmarked	Restricted	Total
Position Title: Education Associate II					
(a) Number of FTEs	4.00				4.00
(b) Personal Service	\$240,000				\$240,000
(c) Employer Contributions	\$67,200				\$67,200

**(3) FTEs in Program Area per FY 2007-08 Appropriation Act:**

**State** 10  
**Federal** 12  
**Other** 8

**Agency-wide Vacant FTEs as of July 31, 2007:** 64  
**% Vacant** 6%

**H. Other Comments:** Please see chart below

<b>Assessment Program/Component</b>	<b>Costs/ Estimated Costs</b>	<b>Comments</b>
<b>Office Of Assessment Assessments</b>		
Development of new items and test forms for <u>HSAP, EOCEP, and the new assessments to replace PACT</u> based on changes in content standards as required by the S.C. Code Ann. (Supp. 2006) § 59-18-310	\$10,729,000	Item and form development, standard setting
<u>Palmetto Achievement Challenge Tests (PACT) or it's replacement</u> as required by the S.C. Code Ann. (Supp. 2006) § 59-18-310 and the No Child Left Behind Act of 2001, 20 USU 6301 et seq. (2002) (NCLB)	\$11,729,198	Administration, scoring and reporting
<u>High School Assessment Program (HSAP)</u> serves to meet federal requirements for a high school examination under NCLB (No Child Left Behind Act of 2001, 20 USU 6301 <i>et seq.</i> (2002)) as well as state requirements under S.C. Code Ann. (Supp. 2006) § 59-18-310	\$5,543,036	Administration, scoring and reporting
<u>SC-Alt</u> (alternate assessments for PACT and HSAP) is administered to meet the requirements of section 612(a)(17)(A) of the Individuals with Disabilities Act (IDEA) and NCLB	\$1,269,978	Development, administration, scoring and reporting
The assessments comprising the <u>End-of-Course Examination Program (EOCEP)</u> are required under S.C. Code Ann. (Supp. 2006) § 59-18-310	\$4,031,921	Administration, scoring and reporting
<u>South Carolina Readiness Assessment (SCRA)</u> as required by S.C. Code Ann. (Supp. 2006) § 59-18-310	\$120,000	Administration, scoring and reporting
English Language Development Assessment (ELDA) is required by the <u>No Child Left Behind Act of 2001, 20 USU 6301 et seq. (2002)</u>	\$2,009,325	Administration, scoring and reporting
Braille Consultant	\$1,800	For all testing programs
Technical Advisory Committee	\$80,000	Two meetings for FY09 – increase of \$40,000
SCASS Memberships ELDA, TILSA, ASES, FAST, ASR	\$82,000	\$96,000 last year, decrease of \$14,000
SAS	\$7,000	\$2,000 less than last year
NCS Mentor	\$11,000	Same as last year

**Assessments managed in other offices or assessments paid for or managed in combination with the Office of Assessment**

Grade 2 census testing for G&T as required by S.C. Code Ann. (2004) § 59-29-170	\$360,000	Gifted and Talented. Proviso 1A.3
Performance Tasks for the Identification of Gifted and Talented Students (Project Star) as required by S.C. Code Ann (2004) § 59-29-170	\$653,091	Gifted and Talented. Proviso 1A.3
PSAT (\$553,146) and EPAS [Explore (\$479,508), Plan (\$515,185), and ACT (1,316,632)]	\$2,864,471	
<u>Interim and Formative Assessments</u> for ELA, mathematics, science, social studies, (flow-through to school districts at \$24.00 per student for \$14,400,000), the formative adoption list (\$80,000), developmentally appropriate formative reading assessment for grades 1 and 2 (\$350,000), on-going professional development in the development and use of classroom assessments, use of formative assessments and the use of the end-of-year state assessments (PASS \$150,000) as required by S.C. Code Ann. (Supp 2006) § 59-18-310	\$14,900,000	
<u>Formative Assessments</u> for Office of IPP Classroom Pilot as required by S.C. Code Ann. (Supp 2006) § 59-18-310	\$40,000	
<u>Interim Assessments</u> for the SC Physical Education Assessment Program as required by S.C. Code Ann. (Supp 2006) § 59-10-50	\$550,000	School Health and Fitness Act
<u>Interim Assessments</u> for the School Health Education Programs as required by S.C. Code Ann (Supp. 2006) 59-10-320	\$2,200,000	School Health and Fitness Act
<u>Interim Assessments</u> for continuation of the SCAAP development (dance, theatre, music, and visual arts)	\$187,300	
<u>Interim Assessments</u> for the High School Program Assessment for Modern and Classical Languages	\$60,000	
<u>Formative Assessments</u> for Modern Languages	\$200,000	
<u>Career and Technology Education (CATE) Technical Skill Assessments</u> are a new requirement, starting in 2008-09, under the federal Carl D. Perkins Career and Technology Education Act of 2006. Skill proficiency also currently comprises 50% of career centers overall rating on the state report card (using GPA). The EOC desires to transition to the same method that Perkins uses for report card skill proficiency.	\$800,000	
<u>Dial 3</u> as required by R43-264.1	\$00	Paid by school districts
<u>Work Sampling</u> contract with PEM early learning (Amy DeCola) – online - Proviso 1.64 – increase from 5,000 students to statewide (20,000 students x \$10.00 per student)	\$200,000	Child Development Education Pilot Program

<u>Early childhood assessments</u> - Federal dollars pay for even start assessments, PPVT, Ounce Assessment, ASQ Assessment, PALs pre-K	\$00	
AP Exams as required by S.C. Code Ann (2004) § 59-29-170	\$1,900,000	AP Exams Proviso 1A.2
Ad Ed/GED assessments	\$00	Paid by examinees
<b>Total</b>	<b>\$60,529,120</b>	

A. **Agency Section/Code/Name:** Section 1, H63–Department of Education

B. **Priority No. 4 of 17**

C. (1) **Title:** Innovation and Choice

(2) **Summary Description:** Innovation and Choice is the key to making dramatic gains in student achievement. The SDE created the Division of Innovation and Support, Office of Innovation within that Division, and the Office of Public School Choice on July 1, 2007. The mission of these Offices are to identify, evaluate, pilot, measure, and replicate innovative and choice programs within the public school system.

(3) **Strategic Goal/Action Plan:** Strategic Aim 1. High Student Achievement; 5. Safe and Healthy Schools, 5.1 Schools are safe, healthy places with environments that are conducive for learning. 5.2 School facilities are safe, functional, and adequate. The SDE supports and reward innovations that dramatically accelerate improvement in student achievement. Foster a culture of sustainable innovation in the agency and in school. Locate new funding sources for pilots and expansion. Citation: Proviso 1A.61

D. **Budget Program Number and Name:** XI.E.2 – School Enterprise Operations – Public Choice Innovation Schools

E. **Agency Activity Number and Name:** NEW 2 – Innovation: Public Choice Innovation Schools

F. **Detailed Justification for Funding**

(1) **Justification for Funding Increase:**

**“Innovaluation”:** Not all new ideas are good ideas for dramatically improving academic achievement. Districts need support in researching new ideas, evaluating their worth, funding pilot programs, measuring and evaluating the success of pilots, designing expanded programs that incorporate lessons learned, and replicating the programs statewide. Program Manager II \$80,000; Administrative Assistant \$35,106; Statistical & Research Analyst III \$42,718; plus benefits. Seed funds for replicating evaluated pilots: \$2 million. \$2,202,015

**Innovation Awards:** Create new program to recognize innovators with programs that dramatically improve student achievement and the school culture and environment. Quarterly Prizes: Grand Prize \$25,000; Second Prize \$5,000; Third Prize \$3,000 (\$132,000). Operating funds for creation of award RFP, developing online program for applicants, application readers, program coordinator, travel expenditures, evaluator, awards ceremony (\$10,000), and piloting expansions (4 x \$100,000). Web Applications Analyst AJ 07 \$51,981; Grants Coordinator II BE20 \$42,718. Plus benefits. (Supervision and support included in Innovaluation, above.) \$663,180

**Sustainable Innovation:** Today’s innovation is tomorrow’s old idea. The drive to innovate must be sustained over the long haul. Creating a culture that embraces continuing change and innovation requires effective leadership, constant training, and support of district efforts. Education Associate III \$76,954 plus benefits (supervision and support included above). \$98,501

**Evaluation and Readers:** Cost includes both internal and external evaluations, conducted on a regular basis to ensure quality and accountability. Customer surveys and needs assessment will be included in this process (internal and external program evaluation, to include customer surveys and needs assessment). \$150,000

**State Enterprise Community School Facilities Assessment & Review System:** South Carolina has the opportunity to be one of the first states to implement an innovative solution to school facilities design, evaluation, and management. The SDE is required by §59-144-130 to report school district capital needs to the legislature. Based solely on a survey of school districts, this report is now unreliable as it lacks any uniform condition assessment of schools or estimation of capital costs. Indeed, there are no established standards defining adequacy for existing schools, a critical first step in identifying capital needs. Unlike other states, South Carolina does not use SDE to act as a clearinghouse for state-of-the-art design review of new and/or renovated schools. As a result, neither the legislature nor the school districts can make properly informed decisions concerning adequacy or safety; nor can the districts and statewide capital needs be adequately defined. By assisting districts to locate community resources that can share the cost of building, operating, and maintaining facilities, the State can obtain state-of-the-art facilities more efficiently. The requested appropriation provides for a statewide contract develop a uniform assessment, to assess school facilities, to provide a related software system (year 1: \$3,162,511), to support community partnerships in building, operating, and maintaining schools, and to consult on state-of-the-art design (\$75,000 consultants and travel). A key related task is to accurately report school facility capital needs to the legislature in support of well-informed funding decisions. Two architect/engineers (\$140,000) and one Administrative Specialist (\$30,000). \$3,455,111

**Statewide Enterprise Grants Application, Review, Status, and Management System:** The federal government is requiring that all states have an online grants application status system in place by 2009. Different agencies have developed pieces of grants system: DPS has an online application, the SDE has an online application, review, and results system, and the federal government has an online grants management training system. South Carolina can provide value to its citizens and be in the forefront of innovation by developing a complete online package from the RFP to the management and reporting stages of grants. The SDE has contacted the State CIO about partnering to develop this innovative system. The SDE proposes using federal reimbursement for indirect costs as the revenue stream to fund development and operation of this system. First year's costs, estimated using contract consultants. Project Manager \$180,000; Applications Analysts \$500,000

\$680,000

**Facilities and Support:** Physical facilities sufficient to provide office, training, and meeting rooms for staff and customers. (9 x 220sf = 1980 x \$16 = \$31,860) Computers/licenses (9 x 900 = \$8,100), materials, and supplies (9 x \$500 = \$4,500); office equipment (\$5,000 each nonrecurring = \$45,000)). Travel, training, and operating expenditures (\$40,714)

\$85,174  
\$45,000 NR

**South Carolina Public School Choice Program:** The School Choice Program will provide school districts with information on various school choice programs, best practice information, staff development, assistance in planning for transportation needs, and technical assistance for developing and implementing public school choice and open enrollment programs throughout the state. The Office of School Choice shall be designed to determine the public's knowledge and understanding of public school choice. Additionally, the inventory shall collect information on district growth projections, choice programs available in districts, and choice options parents would like to see implemented in their district of residence. The School District Choice Pilot Program shall be designed to pair districts currently offering multiple school choice options with districts where student choice options are limited or do not exist for the purpose of offering guidance, technical assistance, and staff development. The Open Enrollment Pilot program will be designed to provide non-tuition choice options for students between adjacent school districts. The Office of School Choice shall offer technical assistance to the pilot districts in developing and implementing Open Enrollment. The Office of School Choice will provide information to all school districts regarding obstacles that have the potential of interfering with the implementation of quality school choice and open enrollment programs and shall make recommendations for overcoming and avoiding these obstacles. Each school district of the State will be supported by SDE in implementation of their school choice plans. At a minimum, the goal is to have each district provide a choice option for students at the elementary, middle, and high school level. Request is for three FTEs at \$295,503 salary and fringe and operating of \$79,829.

(2)

<b>FY 2008-2009 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		12.00			12.00
(b) Personal Service		\$730,312			\$730,312
(c) Employer Contributions		\$204,487			\$204,487
Pass-Through Funds		\$2,532,000			\$2,532,000
Other Operating Expenses	\$45,000	\$3,562,506	0	\$680,000	\$4,287,506
<b>Total</b>	<b>\$45,000</b>	<b>\$7,029,305</b>	<b>\$ 0</b>	<b>\$680,000</b>	<b>\$7,754,305</b>
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

State \$0  
Federal \$0  
Other \$0

(4) **Is this priority associated with a Capital Budget Priority?** NO **If yes, state Capital Budget Priority Number and Project Name:** NA

**G. Detailed Justification for FTEs:**

**(1) Justification for New FTEs**

**(a) Justification:**

- **Leadership:** Program Manager II - provide the leadership and coordination to ensure the program is accountable for achieving its goals. They are responsible for recruiting, hiring and retention of staff, innovation project development and coordination; awards program, and support.
- **Administrative Support:** Administrative Assistant (Innovation) and Administrative Specialist (1 FTE Facilities). Provide support to the programs.
- **Climate for Sustainable Innovation:** Education Associate III (1 FTE) – Deliver professional development in the districts and the agency on creating a climate of sustainable innovation and change management. Work on the team researching and evaluating new ideas for dramatic increases in student achievement.
- **Web Applications Analyst:** Develop web-based applications for innovation awards, grants, and surveys. Develop functional web pages that are the primary communications vehicle for the programs.
- **Grants Coordinator II:** Develop the RFP for quarterly innovation awards. Administer the program, hire application reviewers, calibrate review criteria, issue awards, plan and implement awards ceremonies, hire and manage program evaluators, plan and implement pilots and full-scale replications.
- **Statistical & Research Analyst III:** Research ideas for new innovations. Plan evaluation criteria for pilots. Collect data and prepare evaluation reports. Gather and report on measures that indicate whether innovations are increasing academic achievement.
- **Architect/Engineers:** Develop uniform state capital facilities assessment mechanism. Implement statewide system for assessing facilities and quantifying new building needs. Develop program for Community Schools and provide professional development and support. Provide consultation on state-of-the-art school design.
- **Office of Public School Choice:** Provide three FTEs for the Office of Public School Choice.

**(b) Future Impact on Operating Expenses of Facility Requirements: NA**

**(2) Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Manager II AH50					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$80,000				\$80,000
(c) Employer Contributions	\$22,400				\$22,400
	State	Federal	Earmarked	Restricted	Total
Position Title: Education Associate III					
(a) Number of FTEs	4.00				4.00
(b) Personal Service	\$307,816				\$307,816
(c) Employer Contributions	\$86,188				\$86,188

	State	Federal	Earmarked	Restricted	Total
Position Title: Web Applications Analyst AJ07					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$51,981				\$51,981
(c) Employer Contributions	\$14,529				\$14,529

	State	Federal	Earmarked	Restricted	Total
Position Title: Grants Coordinator II BE 20					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$42,781				\$42,781
(c) Employer Contributions	\$11,979				\$11,979
	State	Federal	Earmarked	Restricted	Total
Position Title: Statistical & Research Analyst III BB30					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$42,781				\$42,781
(c) Employer Contributions	\$11,961				\$11,961

	<b>State</b>	<b>Federal</b>	<b>Earmarked</b>	<b>Restricted</b>	<b>Total</b>
Position Title: Administrative Assistant AA75					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$35,106				\$35,106
(c) Employer Contributions	\$9,830				\$9,830

	<b>State</b>	<b>Federal</b>	<b>Earmarked</b>	<b>Restricted</b>	<b>Total</b>
Position Title: Architect - Engineer					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$140,000				\$140,000
(c) Employer Contributions	\$39,200				\$39,200

	<b>State</b>	<b>Federal</b>	<b>Earmarked</b>	<b>Restricted</b>	<b>Total</b>
Position Title: Administrative Specialist					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$30,000				\$30,000
(c) Employer Contributions	\$8,400				\$8,400

**(3) FTEs in Program Area per FY 2007-08 Appropriation Act:**

**State** 8 in Facilities; none in these areas  
**Federal**  
**Other**

**Agency-wide Vacant FTEs as of July 31, 2007: 64**  
**% Vacant 6%**

**H. Other Comments: NA**

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 5 of 17**

**C. (1) Title:** Education Accountability Act, School Technical Assistance and Intervention

**(2) Summary Description:**

**Technical Assistance:** The Education Accountability Act (EAA) of 1998 states that schools designated as unsatisfactory or below average are eligible to receive special services from the state. Schools are to update their school renewal plan specifying planned expenditures of these funds. The allocation of these funds is to have a range of \$75,000–\$200,000 for schools rated below average and a range of \$250,000–\$600,000 for schools rated unsatisfactory. The Department maintains the pool of qualified candidates for the various on-site positions to enable schools to continue to employ these highly qualified individuals. The final allocation of funds also considers the number of pupils served as well as external review team recommendations. This approach to providing technical assistance to schools allows the school to direct the funds to the greatest needs as determined by local school officials. **External Review:** The EAA states that when schools receive a rating of unsatisfactory or upon the request of a school rated below average, an external review team must be assigned by the State Department of Education (SDE) to examine school district educational programs, actions, and activities. The results of the external reviews are used to develop technical assistance plans for each school. For schools that have not met “expected progress” as defined in the EAA, an External Review Team Liaison (ERT-L) will be assigned for on-site support to enhance academic improvement.

**Summer School/Comprehensive Remediation:** The Education Accountability Act establishes and provides for the Academic Plans for Students Program in section 59-18-500. The legislation requires that each district provide summer school or year-long comprehensive remediation to students who continue to perform below grade level after receiving general academic assistance for an academic year.

**(3) Strategic Goal/Action Plan:** Intervention and Assistance. School intervention and technical assistance fully support the vision and mission statement for the SDE. The mission statement indicates that the SDE will “provide leadership and services to ensure a system of public education in which all students become educated, responsible, and contributing citizens.” Every strategic aim is addressed in the intervention and assistance program. The clear focus of this program is high student achievement, educational leadership, and teacher quality. By providing extensive training on assessing school needs and authoring targeted plans, the Department has helped enable low-performing schools to author plans that best target its most critical needs.

The specific strategic goals supported for high student achievement are 1.1, students are held to rigorous and relevant academic standards; 1.2, students demonstrate essential knowledge and skills as described in the curriculum standards; and 1.3, students graduate from high school ready for college or a career. For teacher quality, the strategic goals supported are 2.3, teachers are qualified, competent, ethical, and caring, and 2.4, teacher professional development programs are effective. Early childhood education supports strategic goals 3.1, children enter the first grade ready to learn and succeed, and 3.2, children have access to quality early childhood programs. The specific strategic goals supported by the program are 2.4, teacher professional development programs are effective, and 6.4, professional development programs support education leaders.

**D. Budget Program Number and Name:** III, XI.A.4, XI.E.2, XV, XVII.C – EIA, Lottery – Technical Assistance

**E. Agency Activity Number and Name:** 679 – Summer Schools; 723 – Technical Assistance and Support to Below Average and Unsatisfactory Schools; 725 – External Reviews – External Review Teams; EAA

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:**

**Technical Assistance:** The EAA requires school report cards to be issued and low-performing schools are designated. The report cards will highlight schools' performances so that needed changes can be addressed through various strategies to support continuous improvement. Through the writing of the school renewal plan, funds are directed to address the greatest needs found within each low-performing school. Based on the 2006 report card, there were 115 schools rated as unsatisfactory receiving funds and 256 schools rated as below average receiving funds. Three factors influenced the increase in the number of schools rated as low performing: 1) inclusion of new content areas in report card rating (science and social studies), 2) statewide higher rates of children living in poverty, and 3) higher standards imposed for the same rating category. Proviso 1A.44 provides for up to \$10,000 per newly eligible schools for planning purposes and for up to 5 percent of the total amount appropriated for technical assistance services to schools be retained and expended by the Department for implementation of technical assistance services. Additionally, \$930,000 is designated for the National About Face Pilot Program. The number of schools rated as unsatisfactory is projected to increase from 115 to 160 for the 2007 report card. For the below average category, the projected increase is from 256 to 268. In order to maintain the same level of funding allocated for the 2005–06 year at \$491,761 per

unsatisfactory rated school and \$134,538 per below average rated school, an appropriation increase is needed. Per Proviso 1A.44, "It is intended that the technical assistance will be provided for a minimum of three years in order to implement fully systemic reform and to provide opportunity for building local education capacity."

External Review: The program supports the statutory requirements for intervention and assistance in schools rated unsatisfactory or not meeting expected progress. The number of schools rated as unsatisfactory or not meeting expected progress is expected to increase due to these primary factors: 1) inclusion of content areas in report card rating (science and social studies), 2) statewide higher rates of children living in poverty, and 3) higher standards imposed for the same rating category. It is estimated that the number of schools rated as unsatisfactory or not meeting expected progress will increase for the next report card. With the anticipated increase, an increase of \$2,275,553 is needed.

Summer School/Comprehensive Remediation: In FY 2008, the General Assembly increased the appropriation for summer school from \$21 million to \$31 million. However, \$12,402,840 was from non-recurring EIA funding. This request for \$12,402,840 is to annualize the FY 2008 nonrecurring amount.

Several research studies have shown that high quality summer school programs can have a significant impact on student achievement and greatly reduce the number of students retained (Denton 2002, 3). However these studies, including the July 2001 report by the South Carolina Educational Policy Center, point out that most existing programs do not meet the standard of "high quality."

The research consistently identifies five factors that make a summer program effective:

- high quality teachers;
- adequate, reliable funding;
- an emphasis on reading and math;
- a climate of innovation and creativity; and
- a comprehensive plan for research and evaluation of program results. (Denton 2002, 9)

Denton, David. *Summer School: Unfulfilled Promise*. Atlanta, GA: Southern Regional Education Board, 2002.

Monrad, Diane M. and John May. *Year 2000 Summer School in South Carolina: A Follow-up Study*. Columbia, SC: South Carolina Educational Policy Center, College of Education, University of South Carolina, 2001.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		9.00			9.00
(b) Personal Service		\$466,041			\$466,041
(c) Employer Contributions		\$130,492			\$130,492
Pass-Through Funds		\$51,302,635			\$51,302,635
Other Operating Expenses		\$4,124,067			\$4,124,067
<b>Total</b>	<b>\$ 0</b>	<b>\$56,023,235</b>	<b>\$ 0</b>		<b>\$56,023,235</b>
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

<b>State</b>	\$0
<b>Federal</b>	\$0
<b>Other</b>	\$100,577,376

(4) **Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: NA**

## G. Detailed Justification for FTEs:

### (1) Justification for New FTEs

**(a) Justification:** The Education Associates in the Office of Quality Assurance will support the improvement of student achievement in low-performing schools by serving as liaisons in schools with on-site personnel not served by contractors and by coordinating the recruitment, selection, and placement of on-site personnel in low-performing schools. There are 60 schools for the 2007–08 school year with on-site personnel. These schools are in need of intensive support to ensure these schools meet expected progress as outlined in Section 59-18-1520 of the EAA. It is anticipated that the number of schools in need of this intensive support will be 89 for the 2008–09 school year. In order to maintain the current level of support for this increased number of low-performing schools, six additional FTEs are required. With an additional 57 schools rated as below average or unsatisfactory, an additional FTE is warranted to assist with the peer review of these schools' renewal plans. Continuous year-round follow-up is needed to insure adherence to guidelines.

Yearlong, on-going support to improve student achievement must be provided to all low performing schools in order to comply with Section 59-18-1520 of the EAA of 1998. It is expected that the number of low performing schools will continue to increase; therefore additional staff is needed to accomplish the legislated requirements. These schools are in need of intensive support to ensure these schools meet expected progress as outlined in Section 59-18-1520 of the EAA. In order to maintain the current level of support for the increased number of low performing schools, the 3 additional FTE positions are necessary.

**(b) Future Impact on Operating Expenses or Facility Requirements:** No additional facilities requested.

### (2) Position Details:

	State	Federal	Earmarked	Restricted	Total
(a) Number of FTEs	6.00				6.00
(b) Personal Service	\$379,470				\$379,470
(c) Employer Contributions	\$106,251				\$106,251

	State	Federal	Earmarked	Restricted	Total
(a) Number of FTEs	3.00				3.00
(b) Personal Service	\$86,571				\$86,571
(c) Employer Contributions	\$24,241				\$24,241

### (3) FTEs in Program Area per FY 2007–08 Appropriation Act:

State  
Federal  
Other 13

Agency-wide Vacant FTEs as of July 31, 2007: 64

% Vacant 6%

## H. Other Comments:

### FY 2009 Projected – Technical Assistance

Unsatisfactory schools = 160 x \$491,761/school =	\$78,681,760
Below average schools = 268 x \$134,538/school =	\$36,056,184
Support for newly rated below average schools = 57 x \$10,000	\$570,000
SDE leadership, training, and support per Proviso 1A.44 =	\$5,811,897
Six additional FTEs (salaries and fringe)	\$397,688
National About Face Program per Proviso 1A.44	<u>\$930,000</u>
FY 2009 TOTAL REQUIRED	\$122,447,529
FY 2008 Base Recurring Appropriation =	<u>\$81,102,688</u>
FY 2009 Requested Increase =	\$41,344,841

**FY 2009 Projections – External Review**

External Review Team Liaisons = 101 x \$24,304 = (for continuing Unsatisfactory Schools)	\$2,454,704
External Review Team Liaisons = 55 x \$8,680 = (for newly identified Unsatisfactory Schools)	\$ 477,400
External Review Team On-Site Review Process = 55 x \$5,611 = (for newly identified Unsatisfactory Schools)	\$ 308,605
Three additional FTEs (Salary and Fringe)	\$198,844
SDE Training and Support	<u>\$ 208,000</u>
FY 2009 TOTAL REQUIRED	\$3,647,553
FY 2008 Base Recurring Appropriation	<u>\$1,372,000</u>
FY 2009 Requested Increase	\$2,275,553

**FY 2009 Summer School/Comprehensive Remediation**

This request for \$12,402,840 is to annualize the FY 2008 nonrecurring amount.

**A. Agency Section/Code/Name:** Section 1, H63 – Department of Education

**B. Priority No. 6 of 17**

**C. (1) Title:** Public School Child Development Education Pilot Program (CDEPP)

**(2) Summary Description:** To provide funding and support for a statewide full day, high quality child development program for at-risk children who meet age, income and residence requirements. SDE will provide planning, coordination, support, monitoring, technical assistance, and resources to support 4 K classes and parenting education/involvement activities in the public school 4 K classrooms. This will follow the guidance set forth in the Child Development Education Pilot Program administered in FY06-07 and FY07-08 as a pilot program.

**(3) Strategic Goal/Action Plan:** Strategic Initiative 3, Early Childhood Education. Providing for high quality full-day Child Development programs carries out Performance Goals 3.1 and 3.2. By increasing the capacity of school districts to carry out the intents of the regulations for child development, more children can be served. By requiring high quality programs, which meet the regulation requirements, the state is assured that a greater number of children will be ready to learn and succeed upon reaching first grade. State research is showing this result. Data from national research is showing the same result. The NIEER study results find that South Carolina's state-funded preschool programs produce significant, meaningful improvements in children's early language and literacy skills development at entry into kindergarten. Three- or four-year-old children whose family qualifies for district family literacy programs should qualify for the Child Development Education Pilot Program, meeting Strategic Goal 3.3.

Strategic Goals:

3.1 Children enter the first grade ready to learn and succeed.

3.2 Children have access to quality early childhood programs.

3.3 Children and their families have access to quality family literacy programs.

**D. Budget Program Number and Name:** NA - Proviso 1.64 Child Development Education Program (Public Schools) and Regulation No.: R 43-264.1 for half day child development programs.

**E. Agency Activity Number and Name:** 1715 Public School Child Development Education Pilot Program – The State Department of Education is charged by statute (59-130-10) with integrating the planning and direction of 4K.

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** South Carolina-based research studies underscore findings from similar studies in other states – that young children at risk of academic failure can get an academic boost from participating in Child Development programs.

a. National Institute for Early Education Research (December 2005) – NIEER researchers found that four-year-olds enrolled in South Carolina public pre-school programs showed dramatic gains in “pre-reading” skills before they began kindergarten at age five. Vocabulary gains for children enrolled in 4K were 42 percent higher than children who weren't enrolled; gains in understanding print concepts (recognition of letters, sounds that letters represent, etc.) were 102 percent higher.

b. South Carolina Department of Education (December 2004) – The SDE tracked nearly 3,500 “at-risk” children from age four through the fifth grade to see if their participation in pre-kindergarten programs had a positive effect on their Palmetto Achievement Challenge Test scores. Researchers found that despite backgrounds that made it more likely that they would fail in school, children who participated in 4K programs ended up performing better than their peers when they began taking PACT in elementary school. The Education Department is asking the General Assembly to appropriate enough funds to enroll all South Carolina four-year-olds who are at risk for academic failure because of poverty or other factors. Research provides overwhelming evidence that South Carolina's public school 4K program does an outstanding job of preparing children for elementary school who otherwise would begin their academic careers at a profound disadvantage.

c. The full day Child Development Education Program will focus on maintaining the high-quality curriculum and teaching standards that produced the glowing South Carolina research findings reported in 2004 and 2005. In fact, a key finding of the 2005 NIEER research study was that a 4K program's quality is the most important factor of its effectiveness.

d. Every 4K classroom should have:

- A full-day program (at least 6.5 hours) for 180 school days.
- At least 16 four-year-olds but no more than 20 four-year-olds, with an adult/child ratio of 1:10.
- A lead teacher with a four-year degree in early childhood education or a closely related discipline.
- An assistant teacher or aide with early childhood training.
- Increased number of parents actively participating in child's education through involvement in parenting and interactive literacy programs.
- Research based curriculum and assessment aligned to the state early learning standards.

e. The General Assembly passed the Child Development Education Pilot Program (CDEPP) proviso 1.65 in FY2007. To continue this program statewide, the following areas require funding to implement the activities for 2008-2009:

- Serve 20,569 children at \$4,093 per child (\$84,188,917)
- Personnel are needed to implement the many provisions of the CDEPP and coordinate and conduct the initial and recurring workshops, meetings, and training. Personnel are also needed to provide technical assistance to the approved CDEPP providers. Other personnel duties will include work on articulation, child and program assessments, training certified personnel and teaching assistants, curriculum modification, implementation and program leadership. Fully staff and support the office with 4 additional FTEs including four education associates, one fiscal analyst, and one administrative specialist (\$415,360).
- Support the costs associated with the administration of the DIAL 3 and Work Sampling On Line System assessment system serving 20,569 children (\$280,220).
- Equipping 800 new classrooms at \$10,000 each (\$8,000,000); existing 238 classrooms at \$2,500 (\$595,000).
- Professional development costs reimbursed to school districts at a cost of \$55 per child (\$1,131,295)

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		6.00			6.00
(b) Personal Service		\$324,500			\$324,500
(c) Employer Contributions		\$90,860			\$90,860
Pass-Through Funds		\$93,915,212			\$93,915,212
Other Operating Expenses		\$280,220			\$280,220
<b>Total</b>	<b>\$ 0</b>	<b>\$94,610,792</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$94,610,792</b>
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

<b>State</b>	\$ 0
<b>Federal</b>	\$ 0
<b>Other</b>	\$ 0

(4) **Is this priority associated with a Capital Budget Priority?** NO **If yes, state Capital Budget Priority Number and Project Name:** NA

**G. Detailed Justification for FTEs:**

**(1) Justification for New FTEs**

**(a) Justification:** In FY07, the Early Childhood Education (now a unit within the Office of Instructional Promising Practices) is being staffed with an existing 8 FTE's that include 3 support staff, and 5 Education Associates. Additional staff will be needed in FY09 to effectively implement the program statewide in FY09 via professional development and technical assistance to all districts and CDEPP providers; to support the implementation of state assessments such as Work Sampling and DIAL 3; and to support ongoing efforts in program monitoring.

Additionally, the Office of Finance has produced an additional 300 vouchers for this program and works with the districts to actively ensure the accuracy and completeness of data collection elements required by the Education Oversight Committee. To this end, the Office of Finance is requesting an FTE to coordinate these activities.

**(b) Future Impact on Operating Expenses or Facility Requirements:**

**(2) Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title: Education Associate II					
(a) Number of FTEs	4.00				4.00
(b) Personal Service	\$250,000				\$250,000
(c) Employer Contributions	\$70,000				\$70,000

	State	Federal	Earmarked	Restricted	Total
Position Title: Administrative Specialist II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$32,500				\$32,500
(c) Employer Contributions	\$9,100				\$9,100

	State	Federal	Earmarked	Restricted	Total
Position Title: Financial Analyst II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$42,000				\$42,000
(c) Employer Contributions	\$11,760				\$11,760

**(3) FTEs in Program Area per FY 2007-08 Appropriation Act:**

State  
Federal  
Other 7

Agency-wide Vacant FTEs as of July 31, 2007: 64  
% Vacant 6%

**H. Other Comments:** NA

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 7 of 17**

**C. (1) Title:** Education and Economic Development Act (EEDA) and High Schools That Work/Making Middle Grades Work (HSTW/MMGW)

**(2) Summary Description:**

EEDA: To provide funding and support for the South Carolina Education and Economic Development Act (EEDA) passed in June 2005.

HSTW/MMGW: Request funding to support 55 new *HSTW/MMGW/CCTW* sites that will be added to the South Carolina (SC) initiative during fall 2008. Funding will support professional development and initiative startup costs for the new sites. Adding 55 new sites to the five-year technical assistance visit (TAV) rotation will also require additional funding to pay for travel expenses and TAV Team Leader services, including the writing of a detailed, data-driven report. Additionally, increased funding is requested to support *HSTW/NAEP* assessments for the new sites.

NAEP is the accountability component of the reform initiative which is administered on alternating years. 2009–10 will be the next testing year. NOTE: We anticipate adding 50 or more additional whole school reform sites for, at least, one more year (possibly two) in order to provide the state's high schools with the opportunity to comply with the requirements established in the Education and Economic Development Act (EEDA), Section 59-59-130 requiring all SC high schools to implement the principles of *HSTW* or another SDE-approved model by the 2009–10 school year.

**(3) Strategic Goal/Action Plan:** EEDA: Strategic Initiative: High Student Achievement. Strategic Goal 1.3: Students graduate from high school ready for college or a career. Action Plan: To implement the provisions of the Education and Economic Development Act passed in 2005. HSTW/MMGW: Strategic Plan Goals 1.1-1.5, 5.1-5.4 and 6.4

**D. Budget Program Number and Name:** V, XIII.A – Education and Economic Development Act; XI.A.1 – High Schools That Work

**E. Agency Activity Number and Name:** 1719 – The Education and Economic Development Act; 700 – High Schools That Work (HSTW)/ Making Middle Grades Work (MMGW)

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:**

EEDA

The general assembly passed the Education and Economic Development Act in 2005. The following areas require funding to implement the activities required for 2008-2009:

- Instruction and professional development for 568 Career Development Facilitators.  $568 \times \$857 = \$486,776$ . A \$186,776 increase in funding is requested.
- Access to the SC Academic Career Management System (\$493,000), develop a plan and instrument to measure EEDA progress (\$125,000), conduct data analysis/modeling (\$160,660), provide career assessments to school districts (\$725,000). Also, two project managers are needed to facilitate this effort (\$417,768). A \$396,664 increase in funding is requested.
- Funding for 568 career specialists to achieve the 300:1 student to guidance personnel ratio in all middle and high schools. Cost is calculated with a 3% cost of living increase.  $568 \times \$42,000 = \$23,856,000$ , prior year appropriation \$21,840,791. A \$2,015,209 increase in funding is being requested.
- Implement and sustain evidence-based model dropout prevention programs in all high schools. (\$8,000,000). A \$3,500,000 increase is requested.
- Personnel and related expenses to operate the twelve regional education service centers (estimated 12 FTEs).  $12 \times \$18,277 = \$219,324$ . Also, \$600,000 to award service-building grants, and \$150,000 to support the virtual infrastructure. A \$796,152 increase is requested.
- Technology personnel to support the launch and maintenance of an enterprise data warehouse necessary for the collection, storage, and retrieval of data pertinent to EEDA statewide effectiveness. Technology needs were not addressed in previous fiscal years. Therefore, the \$1,222,996 represents a first-time request.

HSTW/MMGW/CCTW

HSTW/ MMGW/CCTW are whole school reform models designed to provide quality educational opportunities for all students. The Southern Regional Education Board (SREB) supports these models, and SC is one of 32 states in this whole school reform initiative. SC is in the top five of the participating 32 states with regard to the number of sites in the initiative. The primary goal of each of these reform initiatives is to increase the number of students who meet reading, math, and science performance goals and who complete an upgraded academic core and a career and technical focus (recommended curriculum) preparing them for successful postsecondary educational and/or career experiences. The U.S. Department of Education has recently recognized that students complete a rigorous secondary

course of study when they complete the *HSTW* curriculum. Other curricula receiving such recognition include the SC Academic Achievement Honors Award and the SC College Preparatory Course Requirements. SC, at the 2006 National *HSTW/MMGW* Conference, was one of only two states to receive the State Award for Educational Achievement based on students' performance on the *HSTW/NAEP* assessment and their having completed the initiative's recommended curriculum as recognized by the United States Department of Education. SC is administering *HSTW/NAEP* assessments in spring 2008, and the state's reform leadership anticipates receiving this award once again. These reform initiatives are guided by key practices and conditions, which include advocating accelerated learning and raising standards for all students, giving them the counseling support and extra help they need to plan and complete a challenging program of studies, involving parents and the community in efforts to raise student achievement, and securing and effectively utilizing world-class technology. The key practices relate directly to the No Child Left Behind Act requirements of accountability and assessment for results, flexibility, local control, and scientifically based research. All initiative sites administer *HSTW/NAEP* assessments every other year and are on a five-year technical assistance visit (TAV) rotation. Pilot TAVs combining SACS and *HSTW/MMGW* visits have been successfully completed and several schools wishing to combine visits have utilized that option. The requested increase is for \$900,500 to support the professional and site development of 55 new sites, provide *HSTW/NAEP* assessments for the new sites, and increase funding required to provide TAVs to 55 additional sites as they are merged into the existing 5-year rotation. There will be a more focused effort pertaining to professional development at career centers in SC. Targeted career center leadership and instructional staff will receive intensive professional development beginning in 2008–09 and continuing through, at least, one additional year in order to intensify career center involvement in whole school reform both in partnership with our state's *HSTW* sites and as independent, specialized academic and career and technical entities. Specific funding details are provided below as follows:

- Education and Business Summit New Site Development Conference for All New Sites = \$8,000
- Site Initiative and Professional Development for All New Sites = \$577,500
- *HSTW/NAEP* Assessments for All New Sites = \$135,300
- Technical Assistance Visits for eleven (11) sites = \$66,000
- Career Center Professional Development and Mentoring Activities for 15 educators and 15 mentors = \$124,000

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Pass-Through Funds		\$6,092,709			\$6,092,709
Other Operating Expenses		\$2,935,888			\$2,935,888
<b>Total</b>	\$ 0	\$9,028,597	\$ 0	\$ 0	\$9,028,597
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

<b>State</b>	\$35,786,960
	2,100,800
<b>Federal</b>	\$0
<b>Other</b>	\$1,000,000

(4) **Is this priority associated with a Capital Budget Priority?** NO **If yes, state Capital Budget Priority Number and Project Name:** NA

**G. Detailed Justification for FTEs:** NA

**H. Other Comments:**

**NOTE: Employment Security Commission (ESC) requests are not included in SDE's budget.**

- ESC estimates that \$385,600 will be needed to provide SCOIS access to all schools in South Carolina.

A. **Agency Section/Code/Name:** Section 1, H63–Department of Education

B. **Priority No. 8 of 17**

C. (1) **Title:** Transportation

(2) **Summary Description:** To provide funding and support for the South Carolina School Transportation System.

(3) **Strategic Goal/Action Plan:** Strategic Initiative: Safe and Healthy Schools. Strategic Goal 5.3: The public school transportation system is safe and efficient. Action Plan: To develop a comprehensive plan for the assessment and provision of public school facilities, transportation services, and other infrastructure needs.

D. **Budget Program Name and Number:** IX.B – Bus Shops, IX.C – Buses

E. **Agency Activity Number and Name:** 708 – School Transportation System - Bus Driver Salary & Fringe Supplement; 749 – School Transportation System, 750 – EAA, 59-59-110 EEDA, and 751 – School Transportation System - Bus Purchase

F. **Detailed Justification for Funding**

(1) **Justification for Funding Increase:** Implement requirements of Act 79 of 2007 and other SC Code sections. The state is required to provide basic school bus transportation service for the public school system. Demand for innovation, increases in fuel costs, increased students service demands, and the aging bus fleet and shop facilities have dramatically increased school bus costs.

- In the past eight years, recurring general fund appropriations for state school bus operations have not been adequate to cover operational expenses. In FY 2008 the recurring general fund appropriation is \$24,092,662 compared to an estimated \$64,045,673 operation budget; the school bus fuel budget alone is estimated to be \$29,000,000. Over \$60 million in non-recurring funding from Unobligated Prior Year Funds are being used in FY 2008 for operational expenses (\$29,553,931) and school bus replacement (\$30,546,069). In FY 2009 operating costs are estimated at \$73,146,473 and will exceed the available FY 2008 recurring resources by an estimated \$38,660,731.
- In addition to operations costs the department must be appropriated funds to supply school districts an adequate fleet of vehicles, funding to pay for school bus driver wages and benefits expenses, and maintain a quality vehicle maintenance program that includes monies for the recruitment and retention of school bus maintenance staff. To meet these student transportation demands the following requests are made:
  - Increase of \$36.66 million in recurring funds for school bus fuel, parts, and repairs, and long overdue facility repair.
  - Increase funding by \$1.5 million for the continued implementation of the bus maintenance personnel salary adjustments through the approved Career Development Plan.
  - Implement a school bus purchase Transition Plan that will establish the fleet replacement cycle in § 59-67-580 requiring an increase of nearly \$20 million, plus \$4.4 million in catch-up bus replacement leases.
  - Implement a school bus service vehicle replacement plan requiring an increase of \$1.5 million.
  - Increase bus driver salaries, fringe, and training funding by \$22,500,000.
  - Increased funds to address district strategies to secure school buses parked (\$3,000,000).
  - Provide hazardous and unescorted student transportation services (\$2,000,000). Total estimated cost at full implementation is \$4,000,000. Request partial implementation for FY 2009 at \$2,000,000.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Personal Service	\$0	\$1,200,000	\$0	\$0	\$1,200,000
(c) Employer Contributions	\$0	\$336,000	\$0	\$0	\$336,000
Pass-Through Funds	\$0	\$22,500,000	\$0	\$0	\$22,500,000
Other Operating Expenses	\$0	\$38,660,731	\$0	\$0	\$38,660,731
Special Student Transport Services	\$0	\$2,000,000	\$0	\$0	\$2,000,000
Security-Parking Grants	\$0	\$3,000,000	\$0	\$0	\$3,000,000
Special Items Bus Purchase	\$0	\$19,723,069	\$0	\$0	\$19,723,069
School Bus Replacement Catch Up	\$0	\$4,400,000	\$0	\$0	\$4,400,000
<b>Total</b>	<b>\$ 0</b>	<b>\$91,819,800</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$91,819,800</b>

*\*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.*

**(3) Base Appropriation:**

<b>State</b>	\$103,108,869
<b>Federal</b>	\$ 0
<b>Other</b>	\$ 7,513,308

**(4) Is this priority associated with a Capital Budget Priority? YES If yes, state Capital Budget Priority Number and Project Name:**

**G. Detailed Justification for FTEs:** NA

**H. Other Comments:**

Cost Factors:

- FY 2009 Personal Services: Increase of \$1,536,000 is requested to maintain the Career Development recruitment and retention program for the staff of the school bus program.
- FY 2009 Pass-Through Funds: A pass through to school districts of \$22,500,000 is requested that includes funding for salary increase and fringe for bus drivers. The districts now fund over \$80 million of the statewide driver salary and fringe costs, a state funding increase of \$20 million will make the state and districts' share the expense 50% and 50%. An additional \$2.5 million in driver salary and fringe increase is requested to fully fund an increase in annual in-service training for school bus drivers to 40 hours each year.
- FY 2009 Other Operating Expenses: Increase operating costs for parts, fuel, tools, equipment, insurance, and bus repair (total cost \$73,146,473 - \$24,092,662 (Total Other Operating Funds) - \$6,675,000 (Operating Revenues) - \$3,000,000 (EAA) - \$718,080 (EEDA) = \$38,660,731 ). Included in this additional amount is
  - \$3.1 million (reflecting an estimated average cost per gallon of ULSD of \$2.50);
  - \$56,000 for software management of a new GPS system for all buses and service vehicles;
  - \$244,800 for wheelchair securement systems on 1991-2007 buses;
  - \$200,000 for new training program under § 59-67-108;
  - \$4,000,000 in overdue capital facility updates at 43 school bus maintenance shops; and
  - \$1,500,000 for the annual school bus service vehicle replacement program.
- FY 2009 Special Student Transport Program: Provide hazardous and unescorted student transportation services pursuant to § 59-67-420. Total estimated cost at full implementation is \$4,000,000. Request partial implementation for FY 2009 at \$2,000,000.
- FY 2009 Security-Parking Grants: District grant funds are requested for Installation of school bus security systems (\$3,000,000). The Department must implement increased security of school buses assigned to districts while they are parked overnight and during the school day. Grants to school districts from a pool of \$3,000,000 will allow paving and the installation of security strategies to limit unauthorized access to the buses.
- FY 2009 Special Items Bus Purchase: Establish the replacement cycle for school vehicle fleet per § 59-67-580 (total cost \$30,400,000 – the existing \$10,676,931 (Special Items Bus Purchase) = \$19,723,069.
- FY 2009 School Bus Replacement Catch Up: FY 2009 estimated one year lease cost for 300 school buses of \$4.4 million which is estimated cost of a seven (7) year lease for school bus replacement. Purchase of 300 school buses is estimated to cost \$24 million.

- A. Agency Section/Code/Name:** Section 1, H63–Department of Education
- B. Priority No. 9 of 17**
- C. (1) Title:** Student Health and Fitness Act  
**(2) Summary Description:** To provide funding and support to implement the provisions of the Student Health and Fitness Act of 2005.  
**(3) Strategic Goal/Action Plan:** Strategic Aim 1. 5: High Student Achievement, Teacher Professional Development, and Safe and Healthy Schools. To help students demonstrate essential knowledge and skills as described in the curriculum standards and help schools become safe, healthy places with environments that are conducive to learning and promote the health, safety, and well-being of students. Strategic Goals: 1.2 Students demonstrate essential knowledge and skills as described in the curriculum standards. 1.5 The state educational system components are aligned so that all students reach a high level of academic achievement. 5.1 Schools are safe, healthy places with environments that are conducive to learning. 5.4 Schools form community and state alliances that promote the health, safety and well being of students. Action Plan: Implement year one of the assessment program for Health and Safety Education in the 2008-09 school year as required by the Student Health and Fitness Act of 2005. Assist schools with establishing and maintaining Coordinated School Health Advisory Councils (CSHAC) inclusive of community partners as required by the Student Health and Fitness Act of 2005. Provide the District level CSHACS with tools and resources for improving a variety of school health programs. Provide funds to decrease the physical education teacher to student ratio to 1:500 in FY2008-09. Provide for training for the Physical Activity Directors in each elementary school. Provide for the implementation of the assessment of physical education programs in schools. Provide for the retraining of physical education faculty in those schools that do not attain an acceptable rating on the PE program assessment. Provide funds for the SDE to provide grants to districts to hire a full time licensed nurse at each elementary school that serves grades K-5.
- D. Budget Program Number and Name:** III – Division of Standards and Learning, Physical Education Teacher Ratio; V – Division of Educational Services; Act 102, R129, H3499 – The Student Health and Fitness Act of 2005. (New initiative – year three of implementation)
- E. Agency Activity Number and Name:** 764 – Coordinated School Health Programs
- F. Detailed Justification for Funding**  
**(1) Justification for Funding Increase:** The Student Health and Fitness Act of 2005 provides for the SDE to implement an assessment to measure the effectiveness of Health Education programs in the public schools in FY2007-08. The Act also provides for the SDE to provide grants to districts to fund a full time licensed nurse in each elementary school beginning in FY2007-08. The Act also reduces the ratio of students to physical education teacher to 500:1 in FY2008-09. The total increased funding requested to fully implement the Student Health and Fitness Act in FY 2008-09 is \$15,255,001. This includes the following:
- Funds to support the full implementation of an assessment program to determine the effectiveness of school health education including nutrition education in 2008-09. Total estimated cost is \$2.2 million; prior year appropriation was \$400,000; requested increase is \$1.8 million. Calculation: Total projected costs are estimated at \$40.00 per student X 55,000 students sampled = \$2,200,000.
  - Funds to provide grants to school districts to employ a full time licensed nurse at each elementary school for 2008-09. Increase requested is \$ 6,870,236 pass through. Calculation: \$46,786 average salary and fringe X 666 elementary schools = \$ 31,159,476 which is an increase of \$6,870,236 from the prior year appropriation of \$24,289,240.
  - Funds to reduce the student to physical education teacher ratio is reduced from the current 600-1 to 500-1 in 2008–09 (full implementation). The amount requested is \$6,419,800. Calculation: 250 PE teachers (110 new PE teachers for FY 09) x \$54,940 average salary and fringe = \$13,735,000 total which is an increase of \$6,419,800 from FY 08.
  - Funds to support the implementation of an assessment to determine the quality and effectiveness of district and school physical education programs. Amount increase requested is \$150,000.
  - Funds to provide remediation training to districts and schools which perform poorly on the physical education assessment. Increased amount requested is \$10,188.
  - Funds to support training the elementary physical activity directors to increase physical activity opportunities for students into the school day. Increased amount requested is \$4,777.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Pass-Through Funds		\$13,290,036			\$13,290,036
Other Operating Expenses		\$ 1,964,965			\$ 1,964,965
<b>Total</b>	\$ 0	\$15,255,001	\$ 0	\$ 0	\$15,255,001
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

<b>State</b>	\$32,887,303
<b>Federal</b>	\$0
<b>Other</b>	\$0

**(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: NA**

**G. Detailed Justification for FTEs: NA**

**H. Other Comments: NA**

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 10 of 17**

**C. (1) Title:** K-12 Technology Initiative

**(2) Summary Description:** In order to comply with the Education Accountability Act of 1999 and Proviso 72.37, and to continue to implement the South Carolina Educational Technology Plan, funding is required for school technology. These funds are recommended to include: statewide connectivity, state virtual library, digital content development, district hardware and software, technology professional development, and networking academies.

**(3) Strategic Goal/Action Plan:** K–12 Technology Initiative. Goal 1.4: Students use technology to reach higher levels of learning. Goal 1.5: The state educational system components are accountable and aligned so that all students reach a high level of academic achievement. Goal 5.3: Educational leadership is accountable. Goal: 6.4 Teacher professional development programs are effective.

**D. Budget Program Number and Name:** XI.E.2 – Technology Initiative

**E. Agency Activity Number and Name:** 757 – Technology Initiative (K-12 Technology Partnership)

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** The General Assembly identified technology as a means to assist schools in meeting their educational objectives. The K–12 School Technology Initiative has made great strides in integrating technology into the classroom. According to Education Week’s 2007 Technology Counts Survey, SC now ranks 26th in the nation for technology use and integration into instruction. South Carolina’s steady advancement is largely due to the funding provided by the SC K-12 School Technology Initiative. Funding continues to be paramount in SC to update the technology infrastructure, upgrade computers, train teachers, provide security of data, and provide virtual schooling and online assessment. As more Web-based, interactive, standards-driven content becomes available, the need for bandwidth and connectivity will increase.

Students in all school districts have high-speed access to the worldwide resources of the Internet. The resources provided through the K-12 Initiative continue to see increases in use by students, teachers, and administrators. DISCUS, the state’s online virtual resource library, has seen over a twelve percent increase in the number of items being retrieved, reaching almost eight million items in one year alone. Knowitall.org, the online education center for students and teachers accommodated almost ten million page views during the same period. A substantial increase in the number of students enrolled in the state’s Virtual School system is leading to a need for increased bandwidth and upgrading of computer systems for better and more access to these multimedia offerings.

Approximately 40% of professional development offered by the state last year was delivered online. Teachers and administrators are now able to maintain individual performance portfolios online and the demand for such is increasing.

Unfortunately, the state’s technology is continuing to age and we are falling behind other states. Since 2000, very limited funds have been available to the districts to address this problem. In addition, scarce funds have caused the State to scale back its computer rebuild program. In the past, this program had provided many rebuilt computers to the schools. While South Carolina was once able to boast one of the best students-to-computer ratios, the state is losing ground in relation to the national scale. We now have a 1:3.5 instructional computer to students in classrooms (2006). However, the ratio of students to high quality, multimedia-Internet ready computers was 1:11 in 2006. The state continues to experience a decline or leveling-off of integration and expertise and the state has had to operate with a reduced amount of flow-through money available to the districts.

Over 8,200 teachers used the South Carolina Online Professional Development System to take graduate and recertification courses. A technology proficiency system was used to assess teacher proficiency in the 06-07 school year. Over 5,000 teachers statewide took the pre-and post assessments. This year we plan to increase that number based upon ownership of the e-Portfolio system purchased last year. This system will be available statewide to all instructors. Also, 4000 students will be given the online 8th grade technology proficiency as required by NCLB. A Virtual School currently has been funded by legislation and continues to expand on the delivery system statewide. A plan to expand the school in the fall and seek expansion in FY 08-09 by adding Adult Education, Career and Technology, and Bus Driver courses and assessments.

The budget presented below will enable the state to begin meeting these expectations. Without this funding, the state will simply maintain the status quo or fall farther behind in achieving educational goals through the use of technology.

\$40,200,000	<b>Distribution to Schools:</b> To provide five year replacements for low capacity outdated/obsolete computer equipment and expand base of equipment to meet state goals for improved student access as defined in the South Carolina Educational Technology Plan.
\$10,000,000	<b>Continuation of Network Connectivity:</b> To provide Internet connectivity to all schools and public libraries. (Total required for network connectivity is \$21.5 million: (\$11.5 million from anticipated ERATE refunds; \$10 million from appropriated funds.)
\$300,000	<b>SASI Training:</b> To provide funding for statewide web-based professional development, on SASI and ABACUS systems, to school and district faculty and staff. Also, provides face-to-face training for school personnel by NCS Pearson on as-needed basis.
\$915,000	<b>SC Virtual School:</b> All students in South Carolina will have access to the same courses with highly qualified teachers regardless of their geographic location. The SC Virtual School will enable students to recover needed credits, meet graduation requirements, resolve schedule conflicts, obtain access to curriculum content when there is a shortage of certified personnel, learn via a more flexible and individualized instructional pace, and take courses not available in their attendance area. Support for development of new courses that include Career and Technology courses (\$425,000), Adult Education (\$255,000) courses, and content recovery (\$200,000) course demand an increase in technology funds to support the delivery platform that these courses are provide on. Online testing assessments (\$35,000), support in infrastructure of multimedia content, and registration system upgrades for additional students beyond the 3,000 estimated will be covered under this fund. This information support will be used for the statewide roll out of the SC Virtual School in the fall of 2008 if funded by the legislature; otherwise funds from K-12 will be used to continue to expand the program
\$1,018,428	<b>Professional Development:</b> The South Carolina Online Professional Development Initiative (SCOPD) has experienced an average increase of 12% in participation each semester and is now serving over 8,200 teachers .The purpose of SCOPD is to provide South Carolina educators who cannot attend traditional face-to-face classes because of time and schedule constraints, with an online professional growth program that provides anytime access to courses for graduate and/or re-certification credit. Technology proficiency training for at least 12,400 teachers is provided.
\$135,000	<b>Electronic Portfolio System:</b> Based on the International Society for Technology in Education (ISTE) standards, the electronic portfolio system has established a model for effectively measuring the technology proficiency of teachers and administrators. The portfolio submission model allows a more standardized method for evaluating the technology proficiency for teachers and administrators as required by SC Proviso 1A.71.
\$110,000	<b>Administrator Technology Leadership Training:</b> The new National Education Technology Plan from the United States Department of Education identifies effective technology leadership as its #1 priority. Both research and practical experience confirm that effective leadership is the primary factor in successful school reform. Administrator training will specifically serve the technological needs of K-12 school administrators, while generally making better leaders and managers. This will result in more efficacious school leaders, increased teacher proficiency, and enhanced student achievement. The FY2009 Administrator Technology Leadership Training budget proposal is necessary to accomplish agency and office objectives. The budget directly supports the goal to “Accelerating Innovation in South Carolina Schools.” It provides the Office of School Leadership (OSL) faculty with the tools needed to drive improved technology competency for all school leaders. Approximately 1,100 educational leaders will benefit from world-class professional development opportunities in online content development and delivery. These funds are essential for the development of needed content modules on South Carolina specific challenges facing our school administrators and to continue the momentum for innovation already established in OSL. The effectiveness of this overall effort is demonstrated by the integration of online resources, such as Educational Impact and Blackboard digital portfolios into existing programs. The budget supports consulting services needed to expand the effectiveness of the current Blackboard Academic suite and Content System. Advanced features include an enhanced portal interface, enhanced digital portfolio usage, and organization specific synchronous (chat) and asynchronous (blog and discussion board) communication capabilities to support current programs and future mentoring initiatives.

\$1,253,586	<b>Automatic reporting of SASI data between schools, districts, and SDE (SIF):</b> This request is to maintain and enhance the existing Student Unique Numbering System for Testing SASIxp school interoperability framework agent to provide a real-time transfer of SASI information within the schools, and from schools to districts to SDE, eliminating most of the current SDE data collections, which require manual intervention and assistance from district technology staff. Schools will be notified immediately of errors or omissions in their SASI data. A server will be provided for each school district for the School Interoperability Framework (SIF) software ( <i>State Data Manager</i> ) in order to avoid technical problems associated with current district server. Novell directory structure will be deployed to provide security access control to sensitive information. Funding provides state match for federal LDS program.
\$5,000,000	<b>iAm Laptop Program:</b> To sustain the existing ninth grade program established by FY 2008 Proviso 1A.70.
\$1,350,000	<b>Digitization Project:</b> To provide continued development of Knowitall.org, which provides standards-based content for K12 students and teachers, and continued digitization of content from ETV vaults.
\$1,100,600	<b>ITFS Conversion:</b> To provide for maintenance of receivers, towers and antennas for ETV Distance Education Learning Centers during migration to digital delivery.
<u>\$260,000</u>	<b>ETV/ITV Video-on-Demand:</b> South Carolina's instructional Video-on-Demand library, StreamlineSC—To provide funds for training and utilization of K12 content via online video-on-demand.
\$61,642,614	Total FY 2009 Appropriation Request
\$13,683,697	Total FY 2008 Appropriation
\$47,958,917	Total FY 2009 Increase for K–12 Technology Initiative

Note: The State Library receives a direct appropriation of \$2,265,460.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Pass-Through Funds		\$47,958,917			\$47,958,917
Other Operating Expenses					\$
<b>Total</b>	\$ 0	\$47,958,917	\$ 0	\$ 0	\$47,958,917
<i>*If new FTE's are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) **Base Appropriation:**

<b>State</b>	\$0
<b>Federal</b>	\$0
<b>Other</b>	\$13,683,697

(4) **Is this priority associated with a Capital Budget Priority?** NO **If yes, state Capital Budget Priority Number and Project Name:** NA

**G. Detailed Justification for FTEs:** NA

**H. Other Comments:** NA

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 11 of 17**

**C. (1) Title:** Parenting and Family Literacy Services; Parental Involvement and Community Services

**(2) Summary Description:** National Research informs us that a parent is the first and primary teacher of a child. Since the 1960's, the face of South Carolina's parents has changed each year. The changes include fewer fathers in the homes, mothers who work outside the home regularly, most children being born as Medicaid births, incarcerated parents, and more parents who are below the age of 20 and/or have dropped out of school. The demographics and statistics demand that our state provide relief to low literate-high poverty parents, a child's first teacher, whose children are age's birth – age 5. That relief needs to be in the form of family literacy programs, statewide. Services must be provided so that parents can improve their own educational standing, which will lead to increased economic sufficiency, children, will be provided quality early care and education, parenting skills will improve, and parents and children together will receive coaching in literacy development. There are over 26,413 parents in South Carolina whose families desperately need the services of quality family literacy programs. To provide funding and support to increase parental involvement in their children's education.

**(3) Strategic Goal/Action Plan:** 3.1 –As the number of children in South Carolina born to poverty has increased over the last years, it is necessary to increase the funding for families and young children in order to meet the demands of low literacy and high poverty populations in our state. This population is ill prepared to provide the early care and educational needs of young children. Family Literacy is meeting an economic development need by providing adult literacy, work place literacy, parenting education, early childhood education for children from birth to 5 years old and helping parents provide interactive literacy in their home. By meeting these literacy needs parents become economically self-sufficient. Parents gain skills that are necessary for employment. Strategic Initiative 4: To have parents, communities, and businesses as active partners in student learning.

**D. Budget Program Number and Name:** V – Educational Services

**E. Agency Activity Number and Name:** 737 – Parenting and Family Literacy Services; 770 – Parental and Community Partnerships

**F. Detailed Justification for Funding**

The family literacy model is an integrated model in that the parents are receiving multiple services as well as the children. The parents attend parenting meetings, receive home visits, receive a GED or other appropriate educational level improvement, work force preparation skills, parents are assisted in providing quality early care and education for their young children, and are coached in necessary literacy development strategies with their young children. This comprehensive, integrated approach is a proven model for moving families from poverty to sustainability, and leads to higher educational outcomes for both the parent and the child. In order to ensure that more parents in our state from lower literacy levels and higher poverty levels have children who enter school on equal footing, it is necessary to ensure the funding of statewide parenting and family literacy programs. The success of each family literacy program and their participants will be tracked using the Family Literacy On Line Information System. (FLOIS)

**(1) Justification for Funding Increase:** Funding is necessary to meet the readiness need of children in our state. Increased information about the development of the young child and brain research informs us that the needs of the young child cannot wait. It is crucial that the needs of impoverished, poorly educated young parents be met so they can successfully provide for their young children. Annual data has been reported from the state's EIA funded family literacy programs. Year after year, our state has documented that children whose parents have been served in these programs have fared as well as their nonservice peers in school settings. This is a phenomenal finding because families who qualify for the programs are from low literate and high poverty backgrounds. The current allocation adequately serves 1,081 families. It is imperative that we at least serve the 1,825 at-risk families that reside in the low performing school districts. All of these districts are apart of the thirty-six school districts that were litigants in the 1993 lawsuit Abbeville County School District et al. v. South Carolina. This represents an increase cost of \$9,125,000. Calculation: 1,825 families x \$5,000 per family = \$9,125,000.

S.C. Code 59-28-100 (The Parental Involvement in Their Children's Education Act) requires the State Superintendent "to promote parental involvement as a priority for all levels from pre-K through grade 12" and to designate staff "whose specific role is to coordinate statewide initiatives to support school and district parental involvement." The legislation further requires the Department of Education "to provide technical assistance relating to parental involvement training to districts and schools" and "to monitor and evaluate parental involvement programs ... by designing a statewide system which will determine program effectiveness and identify best practices and report evaluation findings and implications to the General Assembly, State Board of Education and Education Oversight Committee." The SDE also must "sponsor statewide conferences on best practices."

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		3.00			3.00
(b) Salary		\$205,000			\$205,000
(c) Fringe Benefits		\$57,400			\$57,400
Pass-Through Funds		\$9,125,000			\$9,125,000
Other Operating Expenses					
<b>Total</b>	<b>\$ 0</b>	<b>\$9,387,400</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$9,387,400</b>
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

State	
Federal	
Other	\$6,105,803

**(4) Is this priority associated with a Capital Budget Priority?** NO **If yes, state Capital Budget Priority Number and Project Name:** NA

**G. Detailed Justification for FTEs:** There are family literacy programs in each of the 85 school districts. These programs must be integrated and of high quality in order to continue providing the results that have been seen in our state over the past few years. It is very difficult to get the concept of integration of services understood to most program directors. Few program directors come to the position with background or knowledge in quality parenting programs. The needs of program development, monitoring for success and program integration must be overseen by the State Department of Education.

**(1) Justification for New FTEs**

**(a) Justification:** In order to visit programs, provide professional development, ensure integration of services, provide educational local resources to programs, and adequately track the development of programs, it is necessary to have a FTE in the office of community and parent services whose primary function will be to provide support services to the education associate who delivers professional development for program directors, provides technical assistance to programs, coordinates monitoring services, implements evaluation plans. There is an existing professional FTE dedicated to overseeing the family literacy programs but there is not sufficient staff to effectively carry out communication with programs, compile detailed reports, input program data, and schedule site visits.

**(b) Future Impact on Operating Expenses of Facility Requirements:** Many school building principals and directors do not have any expertise in family literacy and parent education. The concept of “one stop shop” for parents and young children is increasingly becoming a model of excellence. In one site, children, ages 0 – 5, can receive education and/or care, parents can receive GED or other appropriate adult education/work force preparation coursework, parents can receive parenting assistance, parents can learn about other community based or state resources which may be available to them, parents and children together can practice under the leadership of a parent educator the early literacy skills that are necessary for the educational development of the child, parents and children may receive ESOL services, parents and children may receive appropriate medical and health services, and local and regional literacy programs can expand educational services which may lead to appropriate employment for parents. It may be necessary for the state to evaluate the costs in renovating old school sites, businesses, or other structures to make them safe, healthful, and appropriate for both adult and child learners.

**(2) Position Details:**

	<b>State</b>	<b>Federal</b>	<b>Earmarked</b>	<b>Restricted</b>	<b>Total</b>
Position Title: Program Manager II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$85,000				\$85,000
(c) Employer Contributions	\$23,800				\$23,800

	State	Federal	Earmarked	Restricted	Total
Position Title: Education Associate I					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$120,000				\$120,000
(c) Employer Contributions	\$33,600				\$33,600

**(3) FTEs in Program Area per FY 2007-08 Appropriation Act:**

**State**

**Federal**

**Other** 1

**Agency-wide Vacant FTEs as of July 31, 2007: 64**

**% Vacant 6%**

**H. Other Comments: NA**

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 12 of 17**

**C. (1) Title:** Data Collection, Management and Reporting System

**(2) Summary Description:** To provide annual maintenance fees for the SASI Windows-based data collection and reporting system and the Student Unique Numbering System (SUNS) provided by the state to all public school districts to facilitate educational accountability. These maintenance fees are stipulated under the terms of the existing state contract. In addition, funds are required to expand the technical capacity of data warehouse data collection and validation using Student Unique Numbering System and Schools Interoperability Framework. Also, to support this effort the agency network infrastructure must be maintained. The state's outdated and aging student information system (SIS), SASI is in great need of replacement. More reliable, efficient, and easier to maintain web-based systems are now proven and available.

**(3) Strategic Goal/Action Plan:** 1.5 The state educational system components are accountable and aligned so that all students reach a high level of academic achievement. Goal 5.3: Educational leadership is accountable.

**D. Budget Program Number and Name:** XI.A.4 – Data Collection; Student Unique Numbering System

**E. Agency Activity Number and Name:** 755 – Data Collection – SASI; 756 – Student Identifier and LDS

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** SASI forms the backbone of data collection and reporting system (SASI) for all public school districts to meet educational accountability requirements by providing a responsive data collection, storage, retrieval, and reporting system for the school districts and public school students. The software requires annual maintenance fees for continued operation and support. Districts are dependent on this software for school administration, curriculum and assessment and state reporting. School funding is distributed based on data collected and reported through this system.

South Carolina became the first state in the nation in 1986 to have all schools automated. Through this model, districts realized the efficiencies of automation. The SASI software system upgraded the original software provided in 1986 and the state has been able to collect a higher level of data with increased accuracy.

In 2005, the State Department of Education implemented the first in the nation statewide Schools Interoperability Framework (SIF) Student Unique Numbering System (SUNS) needed for assessment, longitudinal studies, state and federal reporting. The contract for the installed software requires maintenance fees for continued operation and support. Districts/Schools and the agency are dependent on this software.

In 2006 South Carolina became one of the first states in the nation to purchase a statewide Schools Interoperability Framework (SIF) License. Expanding on the work begun with SUNS this license provides all public school districts with the capability to electronically exchange SASI data with all other SIF-capable applications that a district may be running. SUNS allowed the electronic exchange of a few SASI data elements in order to automatically assign unique student identification numbers. This statewide SIF license allows over one hundred more SASI data elements to be electronically exchanged with other applications. This license will also include more data elements each time the Schools Interoperability Framework is revised and updated. This statewide license will require payment of annual maintenance fees.

Additional funding is needed to begin the replacement process for SASI in fiscal year 2008-2009. While SASI has been the backbone of the data collection and reporting system it is fast becoming a dated technology. SASI servers are distributed in each public school and district office in the state and the update process is complicated. The benefits of replacing SASI with a web based Student Information System (SIS) solution are many. Technology today makes a centralized database hosted by each district a practical solution. With a centralized database, schools may be connected to the SIS using only an internet browser. School SIS databases are no longer required. This type of connection means that all updates to the central database are real-time. The nightly update from school database to district database is eliminated. Modern relational database technology such as Microsoft SQL Server makes management of the SIS easier and can remove the problem of duplicate student records by utilizing referential integrity. A SASI replacement will be required to include a Schools Interoperability Framework (SIF) agent to insure that the efforts made toward interoperability are not lost. Newer SIS technology includes more flexible reporting capabilities, web-based communication options to serve parents, and easier customization of user screens.

The federal No Child Left Behind (NCLB) and Education Accountability Act of 1998 (the EAA) have data reporting requirements. Data collection, analysis, and dissemination are integral to the education reform process and central to

establishing accountability. As a result, demands for information and data analysis have grown exponentially in public education in recent years.

Implementing the EAA requires extensive data collection by the state's public education system as a part of this comprehensive set of education reforms and reporting requirements. To meet the EAA data demands, our schools and educators established greater data sets, enlarged collection/integration capacity, and heightened the sophistication of the analyses. The Student Unique Numbering System (SUNS) provides the unique number to allow tracking of students and longitudinal studies. The increased demand for data collection from 1,132 schools on a regular basis requires extensive upgrading of the agency network infrastructure. Information for the Report Card, AYP, Dial 3 for 4K students, Highly Qualified Teachers and much more too numerous to mention is provided via this system.

NCLB institutes even higher student performance requirements and demands more creative programs and activities to improve student achievement. NCLB mandates even more drastic increases in the types of data collected, its analysis, and forms of reporting required of schools, districts, and the state for compliance purposes. Additionally, the higher performance goals established by this federal law require more sophisticated analysis of the information for improvement and accountability. Even with the EAA data foundation, NCLB requirements threaten to overwhelm our present information systems' capacity for data collection and analysis.

A Longitudinal Data Systems grant was awarded to the State Department of Education by the US Education Department's Institute of Education Sciences in 2005. This grant has provided funding to enhance the development of a longitudinal data warehouse and to improve the data collection systems used by the Department of Education. Maintenance fees must now be provided to continue the efforts begun with grant money. The longitudinal data warehouse and the State Data Manager are long term resources that will make possible more accurate analysis of the data collected every year from South Carolina's public schools to meet EAA and NCLB requirements. The State Data Manager will provide the capability for more frequent data collections, and it will promote efforts to improve the quality of data collected through its integrated data validation engine. Sustaining the longitudinal data warehouse and the State Data Manager will benefit South Carolina for years to come.

The National Conference of State Legislatures, in a review of the NCLB legislation, expressed concern about the fiscal impact of specific provisions of the law. The group noted that the data collection and reporting requirements of the Act could be significant and could cost \$5 to \$10 per student in total K-12 enrollment in a given state.

The additional funds are needed to cover increased software maintenance costs by vendors.

\$ 1,328,010	SASI Data Collection and Reporting System Maintenance, and Agency Network Infrastructure
\$11,000,000	Phase one of Student Information System (SASI) replacement
<u>\$ 2,336,236</u>	Data Analysis, Validation, Longitudinal Studies and SUNS
\$14,664,246	Total FY2009 Request
<u>\$ 2,966,460</u>	Total FY2008 Appropriation
\$11,697,786	Total 2009 Increase

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		5.00			5.00
(b) Salary		\$293,060			\$293,060
(c) Fringe Benefits		\$82,056			\$82,056
Pass-Through Funds					
Other Operating Expenses		11,697,786			\$11,697,786
<b>Total</b>	\$ 0	\$12,072,902	\$ 0	\$ 0	\$12,072,902
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

State	\$ 0
Federal	\$ 0
Other	\$ 2,966,640

**(4) Is this priority associated with a Capital Budget Priority?** NO If yes, state Capital Budget Priority Number and Project Name: NA

**G. Detailed Justification for FTEs:**

**(1) Justification for New FTEs**

**(a) Justification:** The development of the longitudinal data warehouse and the State Data Manager have already begun to place greater demands on the existing staff within the Office of Data Management and Analysis's Programming Services section. The existing staff is responsible not only for all of the agency's mainframe applications, both existing and planned, but also for web-based reporting systems including Professional Certified Staff, the School Nutrition Automated Claims System, and the Uniform Information Management System. Managing the State Data Manager collection system and the longitudinal data warehouse will require fulltime resources.

The US Education Department (USED) recommends that each state have as a minimum one fulltime EDEN Coordinator to manage the EDFACTS\EDEN data submissions. As of school year 2006 – 2007 the US Education Department requires that all data required by USED be delivered through EDFACTS\EDEN. The EDEN Coordinator is responsible for insuring that all EDEN submissions are completed on time. In the USED's EDFACTS WORKBOOK SY 2006-07, the EDEN Coordinators responsibilities are defined:

Each SEA identifies a staff member who serves as the EDFACTS coordinator. The EDFACTS coordinator is the official SEA contact for the EDFACTS team. The EDFACTS coordinator is responsible for:

- Developing and submitting the state submission plan.
- Maintaining current directory records.
- Identifying data sources for each of the files to be submitted.
- Identifying and training staff who will create and submit the files.
- Submitting files according to the schedule in the state submission plan.
- Addressing edit reports produced by the system during the submission process by either providing explanations or submitting corrected data.
- Reviewing and updating state meta data.
- Developing and submitting a transition plan for missing data.
- Collaborating with the Common Core of Data (CCD) nonfiscal coordinator and program managers in the state so that they understand and approve the data submitted on behalf of their programs.

This description describes a fulltime position.

**(b) Future Impact on Operating Expenses or Facility Requirements:** NA

**(2) Position Details:**

	State	Federal	Earmarked	Restricted	Total
Position Title: Senior Information Resource Consultant					
(a) Number of FTEs	2.00				2.00
(b) Personal Service	\$126,220				\$126,220
(c) Employer Contributions	\$35,342				\$35,342

	State	Federal	Earmarked	Restricted	Total
Position Title: Database Administrator I					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$51,865				\$51,865
(c) Employer Contributions	\$14,522				\$14,522

	State	Federal	Earmarked	Restricted	Total
Position Title: Senior Applications Analyst					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$63,110				\$63,110
(c) Employer Contributions	\$17,670				\$17,670

	State	Federal	Earmarked	Restricted	Total
Position Title: Applications Analyst II					
(a) Number of FTEs	1.00				1.00
(b) Personal Service	\$51,865				\$51,865
(c) Employer Contributions	\$14,522				\$14,522

**(3) FTEs in Program Area per FY 2007-08 Appropriation Act:**

**State**            9  
**Federal**        0  
**Other**            0

**Agency-wide Vacant FTEs as of July 31, 2007:** 64  
**% Vacant** 6%

**H. Other Comments:** SASI is an aging technology. Its database format, DB IV, is 1980's technology. The SASI vendor, Pearson School Systems, continues to acquire newer student information systems. Their continued commitment to SASI is in question. Continued expansion of the longitudinal data warehouse will be required to insure its value to the state.

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 13 of 17**

**C. (1) Title:** Adult Education: Base Program, Young Adult Program, and GED Initiative

**(2) Summary Description:** Funds are allocated to adult education programs in local school districts to provide academic services to adults for (1) adult education and literacy services, including workplace literacy services, (2) family literacy services, and (3) English literacy services.

Base Program. Adult education and literacy services include, but are not limited to, the following: basic-education instruction, preparation for the tests of General Educational Development (GED), the development of academic skills and in contextual workplace basic skills, or the completion of requirements for a high school diploma. In order to be served by an adult education program, an individual must meet the federal definition of an adult education student. In accordance with that definition, students who possess a high school credential may be served if they lack sufficient mastery of basic educational skills to enable them to function effectively in society.

Young Adult Program. The Young Adult Program (YAP) serves a substantial number 17-21 years of age who leave the traditional K-12 system and enroll in the local school district adult education program for the purpose of completing their high school credential.

GED Initiative. Funding is needed to support the GED Testing Office's campaign to make the Official GED Test more accessible by increasing the number of GED testing administrations and waiving the testing fee for adult dropouts. Potential GED test takers must be enrolled in a state approved adult education program and maintain established attendance and achievement standards in order to qualify for the testing fee waiver.

**(3) Strategic Goal/Action Plan:** Base Program. Adult education is making a great effort to expand its capacity so that it can serve those most in need – conduct its programs and classes in communities close to learners and prospective learners. That effort means working with all eighty-five of South Carolina's school districts, with vocational rehabilitation centers in twenty-three locations across the state, and with prisons on the local and state levels, as well as promoting the toll-free GED Hotline so that information about GED testing is readily available. As most public entities today, adult education continues to learn how to work smarter and accomplish more with less funding. By constantly focusing on its main objectives and on effective ways to partner with others, adult education finds ways to maximize its resources despite dismal budget cuts. During 2005-2006, the school district adult education programs served 53,721 undereducated adults.

Young Adult Program. The purpose of this initiative is to provide additional services to the increasing number of 17–21 year old students who enroll in school district adult education programs pursuing a high school or GED diploma. These funds may only be used to serve those students who are either enrolled in the school district's adult education high school diploma program to earn Carnegie units of credit or receiving instruction in preparation to sit for the Tests of General Educational Development (GED). Students who are 17–21 years of age who are enrolled in a program leading to earning a Career Readiness Certificate may also be served with these funds. During 2005-2006, the school district adult education programs served over 13,000 students in the 17-21 year age. Almost 3,000 of these students earned a high school credential during this period.

GED Initiative. By increasing the number of GED test opportunities and waiving the existing testing fee for students that meet rigid attendance and performance standards, a greater number of dropouts can be effectively served thus significantly decreasing the number of non-high school completers. Once these former dropouts have completed a high school credential, they are assisted in college enrollment, employment opportunities, and/or military enlistment.

**D. Budget Program Number and Name:** XIII.A – Aid to School Districts; XIII.B – Governor's Workforce Initiative

**E. Agency Activity Number and Name:** 740 – Adult Education

**F. Detailed Justification for Funding:**

**(1) Justification for Funding Increase:**

Base Program. The appropriation for Adult Education in 2001-2002 was the largest in the history of public school adult education. A total of \$13,883,227 was appropriated from the General Fund. For the next three budget years the adult education appropriation was reduced to the low point of \$10,227,703 in the 2004-2005 budget year. Since the 2004-2005 budget year, there has been no increase in the base funding for adult education. It is requested that adult education funding be reinstated to the 2001-2002 level of \$13,883,227. Current year appropriation request is for \$13,883,227; prior year appropriation was \$10,227,703; appropriation change is an increase of \$3,655,524.

Young Adult Program. Due to the alarming number of students leaving the traditional K-12 program and enrolling in adult education, adequate funding to meet the challenges of the “young adult” population continues to erode. The Education Oversight Committee (EOC) 2003-04 budget recommended funding adult education at \$1,000 per student in this age group. Based on this recommendation an additional \$1.6 million is requested each year, over a ten-year period, to adequately fund part-time and full-time teachers and career/transition specialists to assist in serving this population. This would be the fourth year of the ten-year plan. Appropriation increase is \$1,600,000.

GED Initiative. This initiative will assist in decreasing the number of dropouts who are unable to sit for the GED examination because of financial reasons. Hopefully, after earning a GED Diploma, these former dropouts will matriculate to employment, the armed forces, or post-secondary training. Additional funds are required to allow economically disadvantaged adults the opportunity to complete a GED Diploma. Currently, no state funds are allocated for the administration of the GED testing program. Appropriation of \$500,000 is requested.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Pass-Through Funds		\$5,755,524			\$5,755,524
<b>Total</b>	\$ 0	\$5,755,524	\$ 0	\$ 0	\$5,755,524
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

<b>State</b>	\$ 3,200,000
<b>Federal</b>	\$ 8,473,300
<b>Other</b>	\$12,677,703

(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: NA

G. Detailed Justification for FTEs: NA

H. Other Comments:

As referenced above in Section F, the base funding for adult education has been substantially reduced since 2001-2002. Individual yearly appropriations are as follows:

2001-2002 - \$13,883,227  
2002-2003 - \$10,727,275  
2003-2004 - \$10,412,680  
2004-2005 - \$10,227,703  
2005-2006 - \$10,227,703  
2006-2007 - \$10,227,703  
2007-2008 - \$10,227,703

If the base funding had simply remained level from 2001-2002 to 2006-2007, the state’s adult education programs would have had an additional \$21,933,144 to serve the state’s undereducated adults. This loss of funds has seriously impacted the services provided by the school district’s adult education programs.

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 14 of 17**

- C. (1) Title:** Education of Students with Disabilities. Students with Disabilities in Alternative Residences; Extended School Year; Preschool Children with Disabilities; Recording for the Blind and Dyslexic
- (2) Summary Description:** Students with Disabilities in Alternative Residences. To provide funding to local school districts for the provision of improved educational and related services to students with disabilities who reside in alternative residences located within their geographic boundaries. New State Board of Education Regulation, 43-243, amended in August 2007, places educational responsibility including the provision of a free and appropriate public education (FAPE) for all students educated within the school districts' service areas.
- Extended School Year. Provides extended school year services for students with disabilities whose IEPs specify such services.
- Preschool Children with Disabilities. Provides financial support for the provision of a FAPE for all three, four, and five year old children with disabilities statewide in South Carolina.
- Recording for the Blind and Dyslexic. Recording for the Blind & Dyslexic's Learning Through Listening® program ([www.rfbd.org](http://www.rfbd.org)) is an effective accommodation for students with learning disabilities. Of those students with disabilities, a significant percentage are those with print disabilities – blindness or visual impairments, dyslexia, learning disabilities, and other health impairments that limit the ability to effectively use standard print. Because public schools typically rely on the print textbook for their general education curricula, this standard format is a barrier for those students with print disabilities. Providing the content of printed textbooks in accessible audio format reduces this barrier. Audio textbooks facilitate inclusion in the least restrictive environment, promote independent learning and enhance educational equality, opportunity and success. Students report that listening to the audio textbook while following along with the print version, or listening to the audio book by itself, greatly improves comprehension, helping the students keep up with their peers by being able to read on grade level.
- (3) Strategic Goal/Action Plan:** Strategic Aim 1–High Student Achievement. 1.1. Students are held to rigorous and relevant academic standards.

**D. Budget Program Number and Name:** III – Division of Standards and Learning; XI.A.1 – P.L. 108-446, 20 U.S.C. § 1412, Preschool Children with Disabilities; XIII – Aid to School Districts.

**E. Agency Activity Number and Name:** 694 and 739– Services to Students with Disabilities –Special Needs – Children w/Disabilities P.L. 108-446, 20 U.S.C. §1412; 695 – Services to Students with Disabilities, Special Needs Children, Aid Sch Dist-Pilot

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** Students with Disabilities in Alternative Residences. Local education agencies wherein alternative residences are located are responsible for providing a free and appropriate education for all students residing within the alternative residence. For the most part, these students come from all over the state and require an extremely high level of services. During the course of a school year the residency of these students may change frequently, and they require additional supports, such as shadows. The number of group homes has increased dramatically, and the number continues to grow each year. Many are located in small districts that do not have the necessary support services and resources that are required to appropriately serve these students. Request is for \$2,000,000 to pass through to districts for the provision of these services.

Extended School Year. The only state funding available to support extended school year for districts is provided through a proviso and is less than \$45,000 statewide to serve in excess of 4,000 students with disabilities. Request is for \$1,000,000 to pass through to districts for the provision of these services.

Preschool Children with Disabilities. Current state funding is based on a 1995 report commissioned by the Joint Committee to Study Formula Funding in Education Programs which stated that the average cost for educating a preschool child with a disability was \$3,009. This request would enable preschool children with disabilities to receive appropriate services, to achieve higher standards when they reach school age, and to be served in the least restrictive environment as required by federal and state law. Request is for an increase of \$1,750,000 to pass through to districts for the provision of these services.

Recording for Blind and Dyslexic. Request is for \$500,000 to provide service to blind and dyslexic children. Service will be provided to 5,600 students in 140 schools. Cost per student is \$89.29.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Pass-Through Funds		\$4,750,000			\$4,750,000
Other Operating Expenses		\$500,000			\$500,000
<b>Total</b>	\$ 0	\$5,250,000	\$ 0	\$ 0	\$5,250,000
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

<b>State</b>	\$43,316 (Extended school year)
<b>Federal</b>	\$175,793,582
<b>Other</b>	\$3,973,584 (Preschool children with handicaps)

**(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: NA**

**G. Detailed Justification for FTEs: NA**

**H. Other Comments:**

Alternative Residence. The funding formula would be to divide the number of students with disabilities residing in alternative residences into the allocation to determine a per pupil amount per alternative residence. To determine the allocation available for each school district, the per pupil amount would be multiplied by the number of students with disabilities residing in alternative residences within each district. The expenditure of these funds would be limited to the provision of direct services for students residing in the alternative residences.

Preschool Children with Disabilities. All local school districts are mandated by both state and federal statutes to provide a free appropriate public education for all children with disabilities beginning on their third birthday. Owing to financial constraints, many of the three-, four-, and five-year old children with disabilities are receiving fragmented and limited services. Critical to this process is inclusion of these children with non-disabled peers. In February 2002, the Office of Special Education Programs with the U. S. Department of Education visited several districts and validated that many preschool children were not receiving mandated services.

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 15 of 17**

**C. (1) Title:** South Carolina Virtual Learning Program

**(2) Summary Description:** South Carolina Virtual School Program has continued its growth trend during the 2007-08 school year, expanding to serve 4500 students. In preparation for 50 percent growth in its student base in 2007-08, SCVSP has added more than 60 adjunct staff members for growth in the new year.

The Virtual School Administrator (VSA) student management and registration system, launched in August 2007, provides an integrated data system with the statewide learning management system to house all student information, records, reports and registration, etc. This Data Warehouse solution will provide one database for data-mining and decision-making capability. As this system continues to evolve and develop, it will provide streamlining the efficiency of our instructional staff and provide the SCVSP with easy access to real-time data for informed decision-making about student success. The SCVSP VSA system also collect and provide data for the state to ensure accountability and alignment between state goals and the SCVSP success.

A mentoring program was established and is an integral part of the new hire training program. Presentations and discussion on topics such as diversity, motivating students, measuring student performance through oral assessments, and managing student progress in a virtual environment are provided at staff meetings 2-3 times a year.

Academic development of additional program areas such as Career and Technology Courses as well as Adult Education will be offered statewide through the SCVSP.

**(3) Strategic Goal/Action Plan:** Goal 1.4: Students use technology to reach higher levels of learning. Goal 1.5: The state educational system components are accountable and aligned so that all students reach a high level of academic achievement. Goal 5.3: Educational leadership is accountable.

**D. Budget Program Number and Name:** IX.A – South Carolina Virtual Learning Program

**E. Agency Activity Number and Name:** NEW 1 – Virtual Learning

**F. Detailed Justification for Funding**

**(1) Justification for Funding Increase:** The cost elements essential to operating a state virtual school are similar to those of a “brick and mortar” school. Costs include personnel needed to provide instruction, administration, academic guidance and technical support. The costs also include hardware and software development or licensing of course content, and outreach.

**Other Operating Expenses:**

<b>Academic Development:</b> Central to the success of the state virtual school is academic coordination that includes purchase of software, curriculum development and management, assessment, quality control, and instructional strategies and materials. (Funding required to purchase software, adapt, or create course content, then undertake the review, alignment and installation of course materials). (CATE \$450,000 + Ad Ed \$225,000)	\$675,000
<b>Outreach:</b> The state virtual school should inform its many constituencies about online learning, and its importance to meeting student and state academic goals. This outreach should include the development and distribution of publications; provide an easily accessible web portal; and encourage participation in meetings across the state to tell the virtual school story. (Student access cannot be assured without publications, a Web portal, and travel budget to allow for face-to-face meetings across the state)	\$25,000
<b>Equipment, software and material:</b> Includes the tools required to establish and maintain the course delivery system, the capability of having 24/7 support, and fail safe backup in place. Learning Management/Registration System will ensure security, management of student records, house teacher information, and delivery of online course content. Fee payments and LMS patches will be required to upgrade the system for a user friendly system.	\$115,000
<b>Facilities:</b> Physical facilities for additional staff and growth to provide meeting rooms for staff and spaces for technology equipment and materials storage.	\$60,000
<b>High school computer/support costs:</b> Support cost for 4,500 students (average assumed to be enrolled for SC Virtual School in Year 1) at \$84.03 per student (See table in Section H for breakdown of costs.)	\$378,135
<b>Total</b>	<b>\$1,253,135</b>

(2)

<b>FY 2008-2009 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Pass-Through Funds					
Other Operating Expenses		\$1,253,135			\$1,253,135
<b>Total</b>	\$ 0	\$1,253,135	\$ 0	\$ 0	\$1,253,135
<i>*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

**(3) Base Appropriation:**

State	\$3,624,010
Federal	\$0
Other	\$0

**(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: NA**

**G. Detailed Justification for FTEs: NA**

**H. Other Comments:**  
**High School Computer/Support Costs**

<b>A. SUPPORT CAPACITY</b>	<b>Units</b>	<b>Cost each</b>	<b>Per Pupil</b>	<b>Per Pupil-5 Year Cycle</b>
Technology Support Personnel	1	\$64,500	\$71.67	\$71.67
<b>B. INSTRUCTIONAL CAPACITY</b>				
Media Center Equipment				
Networked Computers	27	\$1,500	\$45.00	\$9.00
Networked Printers	2	\$800	\$1.78	\$0.36
Additional Computers (1 for every 100 students)	9	\$1,500	\$15.00	\$3.00
<b>Sub-total</b>				\$12.36
<b>TOTAL</b>			\$133.45	<b>\$84.03</b>

The calculation of the average per pupil cost for the 5-year cycle is based on the following model. The average high school (assuming an average pupil enrollment of 900 pupils) will have a media center that contains 25 computers for online research, 2 networked circulation computers, and 2-networked printers. Each media center will also have an additional computer per every 100 pupils.

**A. Agency Section/Code/Name:** Section 1, H63–Department of Education

**B. Priority No. 16 of 17**

**C. (1) Title:** Textbooks and Instructional Materials; School Libraries

**(2) Summary Description:**

Textbooks and Instructional Materials: This request provides funds to support textbooks and instructional materials for children, grades K–12 in each subject area as adopted by the State Board of Education to include consumables and replacement of older adoptions. School Libraries: To provide recurring state funding and support for South Carolina school libraries

**(3) Strategic Goal/Action Plan:** Textbooks and Instructional Materials: High Student Achievement, Students are held to rigorous and relevant academic standards. School Libraries: Strategic Aim: High Student Achievement. Strategic Goal 1.1: Students are held to high academic standards. Action Plan: Develop and expand resources to help teachers implement academic standards.

**D. Budget Program Number and Name:** VII.B – Instructional Materials; School Libraries

**E. Agency Activity Number and Name:** 760 – Instructional Materials and Textbooks; School Libraries

**F. Detailed Justification for Funding**

Textbooks and Instructional Materials

**(1) Justification for Funding Increase:**

Instructional Materials and Textbooks: The increase in funding is essential for providing replacements of materials used in the public school system six or more years. Recent copyrighted textbooks and instructional materials are aligned with the latest South Carolina academic and technology standards.

School Libraries: The state provides no specific line item appropriation for recurring funds for school library resource collections. According to the most recent SDE data collection regarding school libraries, the average age of book collections statewide is 17 years with the oldest collection reported at 45 years. The statewide average age for books in the General Sciences section (500s) is 15 years with the oldest average age reported at 45 years. The statewide average age for books in the Technology and Applied Sciences section (600s) is 15 years with the oldest average age reported at 45 years. The statewide average for books in the Geography, Travel, and History section (900s) is 16 years with the oldest average age reported at 45 years. Books this old cannot support a standards-based instructional program and cannot meet the information and recreational reading needs of South Carolina students and teachers. The Internet and web-based resources available in schools cannot meet all the information needs of our students in an equitable way or meet the individual learning styles of our students. Despite money being invested in reading/literacy initiatives, no major investment has been made in our school libraries. Unless a child lives in a major metropolitan area and within walking distance of a public library, the school library is, most likely, the only library to which a student has access. Books that are 15, 20, 25, or 45 years old are of no academic benefit to students and will not entice and encourage students to read for recreation or for information. Most districts do not provide a per pupil allocation for school library funding. Consistent, recurring funding from the State would ensure that every school library would have money to purchase new library books that would be aligned with the state academic standards and that would support a standards-based instructional program. Recurring state funding is crucial to this endeavor. Request is for \$1 million dollars to assist SC school libraries.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					
(b) Salary					
(c) Fringe Benefits					
Pass-Through Funds		\$1,000,000			\$1,000,000
Other Operating Expenses		\$3,331,413			\$3,331,413
<b>Total</b>	\$ 0	\$4,331,413	\$ 0	\$ 0	\$4,331,413

*\*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.*

**(3) Base Appropriation:**

<b>State</b>	\$26,498,804
<b>Federal</b>	\$0
<b>Other</b>	\$23,278,783

**(4) Is this priority associated with a Capital Budget Priority?** NO If yes, state **Capital Budget Priority Number** and **Project Name:** NA

**G. Detailed Justification for FTEs: NA**

**H. Other Comments:**

**Textbooks and Instructional Materials:**

Breakdown of requested increase:

**2007 Adoption Areas (New)**

Administrative Support Technology	\$75,000.00
Advanced Placement Art History	\$110,000.00
Advanced Placement European History	\$85,000.00
Advanced Placement Human Geography	\$60,000.00
Advanced Placement Music Theory	\$40,000.00
Art 1-4, Art Appreciation 1, 2, 3, and 4	\$800,000.00
Art K-8	\$2,000,000.00
Band 1-4 (Instrumental Music, Orchestra/Strings 1-4)	\$120,000.00
Biology 1, 2	\$3,000,000.00
Biology, Advanced Placement	\$300,000.00
Biology-Applied	\$2,000,000.00
Career Education	\$300,000.00
Chemistry 1	\$1,750,000.00
Chemistry 2	\$225,000.00
Chemistry, Advanced Placement	\$350,000.00
Chemistry-Applied	\$800,000.00
Chorus 1, 2, 3, and 4	\$225,000.00
Computer Applications 1, 2	\$1,750,000.00
Computer Service Technology 1, 2, 3, and 4	\$50,000.00
Culinary Arts 1, 2	\$200,000.00
Dance 1, 2, 3, and 4	\$29,000.00
Digital Input Technologies	\$90,000.00
Drama K-8 and Drama 1, 2, 3, and 4	\$250,000.00
Early Childhood Education	\$75,000.00
Food Science and Dietetics	\$25,000.00

Foreign French 1, 2, 3, 4, and 5 includes Readers	\$1,750,000.00
Foreign French K-8	\$50,000.00
Foreign German 1, 2, 3, 4, and 5 includes Readers	\$350,000.00
Foreign Latin 1, 2, 3, 4, and 5 includes Readers	\$275,000.00
Foreign Spanish K-8	\$500,000.00
Foreign Spanish 1, 2, 3, 4, and 5 includes Readers	\$4,000,000.00
Information Technology Foundations	\$50,000.00
Keyboarding, Grade 7-12	\$1,300,000.00
Law Related Education	\$600,000.00
Music Appreciation 1, 2, 3, and 4	\$100,000.00
Music K-8	\$6,400,000.00
Networking 1, 2, 3, and 4	\$100,000.00
Physical Science	\$3,800,000.00
Physics	\$1,100,000.00
Physics Applied	\$200,000.00
Physics, Advanced Placement	\$200,000.00
Virtual Enterprise 1, 2, 3, and 4	\$125,000.00
<b>Total Cost of Subject Areas Funding</b>	<b>\$35,609,000.00</b>

Growth, Maintenance of Prior Adoptions, and Elementary Consumables	\$13,500,000
Science, K-8 Refurbishment	\$4,000,000
Total Needed for the 2008–09 School Year	\$53,109,000
Current Level of Funding	\$49,777,587
<b>Increase in Textbook Funding for FY 08–09</b>	<b>\$3,331,413</b>

### School Libraries

Research has shown that school libraries are driving forces for improving student achievement when students have open and equal access to library collections that are current and aligned with state academic standards and schools' instructional programs. School libraries are repositories for instructional materials for the entire school, are key to students reading for recreation, and, most importantly, are a major instructional area in every school. School libraries are information and instructional hubs of our schools. The State has never provided consistent funding earmarked for school library resource collections. Recurring state funding will ensure that school libraries have money available to provide resources needed to fulfill their key instructional and curriculum-support roles in our schools.

A. **Agency Section/Code/Name:** Section 1AA, H66–Lottery Expenditure Account

B. **Priority No. 17 of 17**

C. (1) **Title:** K–5 Enhancement Funds; 6–8 Enhancement Funds

(2) **Summary Description:** The Office of Academic Standards provides pass-through funds to districts to support their efforts to improve student academic performance and teacher quality. These appropriations must be used to supplement and not supplant existing funds for education. These funds also support statewide endeavors addressing these two areas.

(3) **Strategic Goal/Action Plan:** Strategic Goals:

Strategic Aim 1– High Student Achievement. 1.1. Students are held to rigorous and relevant academic standards.

Strategic Aim 2– Teacher Quality. 2.2 Teacher preparation programs produce highly qualified teachers.

D. **Budget Program Number and Name:** Section 1AA - H66, I. Lottery Expenditure Account, item (11) Department of Education—K–5 Reading, Math, Science & Social Studies Program as provided in Section 59-1-525.

Section 1AA - H66 – Lottery, item (12) Department of Education--Grades 6–8 Reading, Math, Science & Social Studies Program.

E. **Agency Activity Number and Name:** 713 – Enhance Teacher Skills and Student Performance in English, Math, Science, and Social Studies in Grades K–5 and 6–8

F. **Detailed Justification for Funding**

(1) **Justification for Funding Increase:** The SDE requests continued support in this area for FY09. The school districts rely on these funds to supplement their instructional improvement efforts described in their strategic plans. FY08 funding for grades K–5 was \$47,614,527 from the Lottery and grades 6–8 was \$2,000,000 from the Lottery. Request is for \$49,614,527 to replace prior year’s Lottery appropriation. To extend support so all students can benefit from increased academic performance, the SDE recommends that funds be allowed to be spent in grades K–12. The title would be changed to K–12 Enhancement Funds.

(2)

<b>FY 2008–09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
Pass-Through Funds				\$49,614,527	\$49,614,527
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$49,614,527	\$49,614,527

*\*If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.*

(3) **Base Appropriation:**

<b>State</b>	\$0
<b>Federal</b>	\$0
<b>Other</b>	\$0

(4) **Is this priority associated with a Capital Budget Priority?** NO If yes, state Capital Budget Priority Number and Project Name: NA

G. **Detailed Justification for FTEs:** NA

H. **Other Comments:** NA

## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: Section 1/H63/South Carolina Department of Education

B.

Priority Assessment of Activities – Highest Priorities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: 675 – Foundation Education Program - EFA	\$1,506,721,766	0	0	0	0	\$1,506,721,766	0
Activity Number & Name: 676 – Employer Contributions	\$449,768,445	0	0	0	0	\$449,768,445	0
Activity Number & Name: 723 – Technical Assistance and Support to Below Average and Unsatisfactory Schools	0	0	0	0	\$83,087,789	\$83,087,789	29
Activity Number & Name: 714 – Academic/Instructional Assistance to High Poverty Schools and Students (Title I, Part A, of NCLB (Basic Grants))	0	\$183,082,497	0	0	0	\$183,082,497	10
Activity Number & Name: 749 – School Transportation System	\$45,937,777	0	\$29,553,931	0	\$7,594,678	\$83,086,386	486
TOTAL OF HIGHEST PRIORITIES	\$2,002,427,988	\$183,082,497	\$29,553,931	\$ 0	\$90,682,467	\$2,305,746,883	525.00

### II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

A. Agency Section/Code/Name: Section 1/H63/South Carolina Department of Education

B. Agency Activity Number and Name: See Summary of Priority Assessment of Activities – Lowest Priorities below (F)

C. Explanation of Lowest Priority Status: These activities are good but services are provided by entities external to the SCDE and accountability for activity outcomes is external to the SCDE.

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	0
(c) Employer Contributions	0		0	0	0	0
Program/Case Services	0	0	0	0	0	0
Pass-Through Funds	\$581,198	0	0	0	\$700,000	\$1,281,198
Other Operating Expenses	0	0	0	0	0	0
<b>Total</b>	\$581,198	\$ 0	\$ 0	\$ 0	\$700,000	\$1,281,198

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):  
The activities will be adversely impacted. The customers and clients will need to seek funding elsewhere if the activities are to be continued.

F.

<b>Summary of Priority Assessment of Activities – Lowest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: 737 – Parenting and Family Literacy Services – Accelerated Schools Project at College of Charleston	0	0	0	0	\$200,000	\$200,000	0
Activity Number & Name: 713 – Project Read – Enhance Teacher Skills and Student performance in English, Math, Science, and Social Studies in Grades K-5 and 6-8	0	0	0	0	\$500,000	\$500,000	0
Activity Number & Name: 785 – Youth in Government	\$18,445	0	0	0	0	\$18,445	0
Activity Number & Name: 781 – Status Offender	\$527,835	0	0	0	0	\$527,835	0
Activity Number & Name: 780 – Archives and History	\$34,918	0	0	0	0	\$34,918	0
<b>TOTAL OF LOWEST PRIORITIES</b>	<b>\$581,198</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$700,000</b>	<b>\$1,281,198</b>	<b>0.00</b>